

Herman H. Kaft
James W. Brock
Philip H. Torrey, Jr.
Frank K. Upham
George W. Lautrup, Jr.
Charles H. Clark
Walker Ethridge
Richard E. Bly
Charles Antoniak
Jackson D. Arnold
Frank M. Whitaker
William M. Collins, Jr.
James H. Newell
Henry C. Spicer, Jr.
James E. Owers
Carlyle Ingram
Stuart Stephens
Mark A. Grant
William A. Dean, Jr.
Leslie K. Taylor

James E. Johnson
Samuel R. Brown, Jr.
Wendell H. Froling
Clarence T. Doss, Jr.
William W. Stark, Jr.
George F. Davis
Frank C. Bolles, Jr.
Arthur L. Benedict, Jr.
Craig R. Garth
Lester J. Stone
Joseph W. Stivers
Malcolm C. Reeves
Willie M. Dickey
Sidney D. B. Merrill
William A. Stevenson
George F. Stanish
Robert M. Milner
Isaiah M. Hampton
Gordon P. Chung-Hoon
Charles E. Thurston, Jr.

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, to rank from the date stated opposite their names:

John M. McCants, June 30, 1936.
Richard C. Satterlee, June 30, 1936.
Herbert L. Shinn, June 30, 1936.
John R. Poppen, June 30, 1936.
Carl J. Robertson, June 3, 1937.
Lea B. Sartin, June 3, 1937.
William H. Funk, July 1, 1937.
George W. Wilson, July 1, 1937.
Wendell H. Perry, July 1, 1937.
Joseph B. Logue, July 1, 1937.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, to rank from the 30th day of June 1937:

John M. Bachulus	Carl D. Middlestadt
Harry D. Templeton	John Q. Owsley, Jr.
Walter F. J. Karbach	Arta B. Chesser
Dwight J. Wharton	John R. Smith
Arthur P. Morton	Thomas F. Cooper
Oliver R. Nees	John R. Lynas
Harvey E. Robins	Walter G. Kilbury
Robert K. Y. Dusenberre	Carl M. Dumbauld

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, to rank from the 3d day of June 1937:

William L. Engelman	William T. Booth
Paul K. Perkins	James J. Sapero
Howard K. Sessions	George R. Hogshire, Jr.
Victor G. Colvin	Charles D. Bell
Donald O. Wissinger	Stephen E. Flynn
Harold J. Cokely	

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, to rank from the 30th day of June 1937:

Frank R. Urban	Alton R. Higgins
Edgar Riden	Luther G. Bell
Clarence R. Pentz	

Passed Asst. Dental Surg. Francis W. Lepeska to be a dental surgeon in the Navy, with the rank of lieutenant commander, to rank from the 30th day of June 1937.

The following-named paymasters to be pay inspectors in the Navy, with the rank of commander, to rank from the 1st day of July 1937:

David P. Polatty	Frank C. Dunham
Carlton R. Eagle	Walter A. Buck
Wilson S. Hullfish	Thomas E. Hipp
Percy C. Corning	Ray C. Sanders

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from the 30th day of June 1937:

Charles A. Meeker
John K. Chisholm
William J. Laxson

Naval Constructor Thomas B. Richey to be a naval constructor in the Navy, with the rank of captain, to rank from the 1st day of June 1937.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 13 (legislative day of July 6), 1937

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY TO RUMANIA

Franklin Mott Gunther to be Envoy Extraordinary and Minister Plenipotentiary of the United States to Rumania.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 13, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the name of the Lord our God, whose delight is in them that fear Him and put their trust in His mercy. We thank Thee for the infinite love revealed in the incomparable life and character of Thine only begotten Son. Help us, we pray Thee, our Father, to follow His example, that we may ennoble and dignify our daily conduct. Keep us very conscious of that joy which comes when His spirit hallows our industry and achievements. Bless all influences which inspire the arts of happiness and good will among men. Grant that the harmonies of union and concord may prevail throughout our country, and Thine shall be the praise. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 707) entitled "An act for the relief of Lucille McClure", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAILEY, Mr. LOGAN, and Mr. WHITE to be the conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to speak for 2 minutes in order to propound an inquiry of the majority leader.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I understand there is a movement on foot to recess Congress the latter part of this week, for something like 2 weeks, and I have obtained this time to inquire of the gentleman from Texas [Mr. RAYBURN] if he can give us any information at this time on that proposition?

Mr. RAYBURN. I cannot. In response to the gentleman from New York [Mr. SNELL] last week with reference to the matter as to whether we might reach a point in the proceedings where we could have an agreement to recess for 10 days or 2 weeks, I expressed the hope that we might reach a condition in legislative matters where we could do that; but, as was stated by the Speaker in his press conference, that was simply the expression of a hope. There has been no plan worked out to do anything like that this week.

Mr. RANKIN. Let me say to the gentleman from Texas [Mr. RAYBURN] that if any plan for a recess is worked out I hope that it will be withheld until at least two bills can be considered by the House; first, the veterans' bill now on the Speaker's desk, which I think we may be able to dispose of tomorrow, and also the Bonneville bill. The Rivers and Harbors Committee has been working on that measure for some time, and we will probably get a rule on it from the

Committee on Rules tomorrow. This great project is now completed, and those of us who are in sympathy with it are very anxious to put it to work, and if there is any movement made for a recess for 2 weeks, or any time for over 3 days, I hope that it will be withheld until we can dispose of the Bonneville bill.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNELL. I do this in order to inquire of the gentleman from Texas [Mr. RAYBURN] whether any progress has been made along the line we were talking about the other day, in respect to a recess?

Mr. RAYBURN. Not at this early date.

Mr. SNELL. I really wish something could be done along that line. It will meet with the approval of the country.

Mr. RANKIN. Let us first pass the Bonneville bill.

Mr. SNELL. That is a \$50,000,000 proposition.

Mr. RANKIN. It was money well spent, if we will now put it to work for the American people. It is the beginning of a T. V. A. for the West.

JANITOR FOR COMMITTEE ON EDUCATION

Mr. WARREN. Mr. Speaker, I present a privileged report from the Committee on Accounts, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 274

Resolved, That until otherwise authorized by law there shall be paid out of the contingent fund of the House of Representatives the sum of \$1,260 per annum, payable monthly, as compensation to a janitor for the Committee on Education, to be appointed by the chairman of said committee.

The SPEAKER. The question is on agreeing to the resolution.

Mr. SNELL. Mr. Speaker, what committee is this?

Mr. WARREN. It is the Committee on Education. I think it is about the only committee in the House that does not have a janitor.

Mr. RANKIN. Oh, no.

Mr. WARREN. One of a very few.

Mr. RANKIN. Let me correct the gentleman from North Carolina.

Mr. SNELL. I desire to ask the gentleman from North Carolina a question about that.

Mr. WARREN. Very well.

Mr. SNELL. What reason is there at this time, after all these years, and just as Congress is nearly adjourned, to appoint a janitor to the Committee on Education? This committee has not had a meeting in 3 months. Has no bills before it or none on the calendar. What important matters has that committee before it that cannot be attended to by the regular members of the committee under the conditions that have existed for the last 50 years?

Mr. WARREN. In the first place, Mr. Speaker, this is a unanimous report from the Committee on Accounts, in which the minority members of the committee concur. Recently we have had a five-way shift in the chairmanships of the House. The gentleman from Indiana [Mr. LARRABEE], who has been the chairman of the Committee on the Census, which committee has both a clerk and a janitor, gave up that committee and accepted the chairmanship of the Committee on Education, which committee has only a clerk and no janitor. I think it is generally admitted that in recent years the work of the Committee on Education has become quite important and will become more so as years go on.

It is only a matter of fairness to the gentleman from Indiana [Mr. LARRABEE] that this janitor be given to his committee.

Mr. SNELL. Will the gentleman answer another question?

Mr. WARREN. Certainly.

Mr. SNELL. Has the Committee on Education any bills on the calendar at the present time?

Mr. WARREN. I am unable to answer that question. I know that committee has been considering important legislation this entire session.

Mr. SNELL. It does not seem to me that because the chairmanship has been changed we should give him a janitor just on that account. He did not have to accept the chairmanship. It does not seem to me that is a real argument.

Mr. WARREN. I will say to the gentleman that that was not the reason.

Mr. SNELL. That is the reason the gentleman just gave.

Mr. WARREN. The reason I gave is that that committee is entitled to a janitor.

Mr. SNELL. Will the gentleman tell me why they are entitled to a janitor?

Mr. WARREN. It is in exactly the same class as about 15 other committees of the House that do have a janitor, and it is the only committee of its class in the House that does not have a janitor.

Mr. SNELL. The only committee in the House that does not have a janitor?

Mr. WARREN. Of its class.

Mr. SNELL. What does the gentleman mean by that?

Mr. WARREN. I mean those that have clerks carrying a salary of \$2,760.

Mr. SNELL. With the statement of your own President that he is going to cut down the expenditures of this Government, it seems to me a foolish proposition to start in creating new jobs for janitors just as the Congress is about to adjourn.

Mr. WARREN. The gentleman knows I do not bring in resolutions creating new jobs, nor have I in the last 6 years.

Mr. SNELL. I know that, and that is why I am so greatly surprised at this time.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. DONDERO. I know of no bill on the calendar from our Committee on Education.

Mr. WARREN. I did not say so.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. RANKIN. I understand this employee, in addition to being janitor, is also messenger for the committee?

Mr. WARREN. That is correct.

Mr. RANKIN. What I want to call attention to is that the Veterans' Committee has no messenger and no janitor. The clerks on the Veterans' Committee do more work for other Members of Congress than the employees of any other committee in Congress.

Mr. WARREN. I suggest the gentleman from Mississippi refer that matter to the Committee on Accounts.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. REES of Kansas. As a member of the Committee on Education, I am not informed that there are any bills pending before that committee at this time. I do not see any occasion whatsoever to employ a janitor or anybody else on behalf of that committee at this time.

Mr. WARREN. The gentleman knows there is a very important bill before that committee.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the passage of the resolution.

The question was taken; and on a division (demanded by Mr. WARREN) there were ayes 110 and noes 75.

Mr. SNELL. Mr. Speaker, I object to the vote on the ground that there is no quorum present and I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirteen Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 235, nays 113, answered "present" 2, not voting 81, as follows:

[Roll No. 106]

YEAS—235

Aleshire	Eckert	Kirwan	Pearson
Allen, Ill.	Faddis	Kleberg	Peterson, Fla.
Allen, La.	Farley	Kociakowski	Peterson, Ga.
Atkinson	Fitzpatrick	Kramer	Pettengill
Barden	Flannagan	Lambeth	Pfeifer
Barry	Flannery	Lamneck	Pierce
Beam	Fieger	Lanham	Polk
Bell	Fletcher	Lanzetta	Quinn
Bernard	Forand	Larrabee	Rabaut
Biermann	Ford, Calif.	Lea	Ramsay
Bigelow	Frey, Pa.	Leavy	Ramspeck
Bland	Fries, Ill.	Lesinski	Randolph
Bloom	Gambrell	Lewis, Colo.	Rankin
Boehne	Garrett	Lewis, Md.	Rayburn
Boland, Pa.	Gildea	Long	Reilly
Boren	Goldsborough	Lucas	Richards
Boykin	Gray, Ind.	Ludlow	Rigney
Brooks	Greenwood	McAndrews	Robertson
Brown	Greever	McCormack	Robinson, Utah
Buck	Griffith	McGehee	Rogers, Okla.
Bulwinkle	Griswold	McGranery	Rutherford
Burch	Haines	McGrath	Sabath
Cartwright	Hamilton	McGroarty	Sacks
Champion	Hancock, N. C.	McKeough	Sanders
Chandler	Harlan	McLaughlin	Schaefer, Ill.
Chapman	Harrington	McMillan	Schulte
Citron	Hart	McReynolds	Shannon
Clark, Idaho	Harter	Magnuson	Sheppard
Clark, N. C.	Havener	Mahon, S. C.	Simpson
Claypool	Healey	Mahon, Tex.	Smith, Va.
Cochran	Hendricks	Maloney	Smith, Wash.
Coffee, Nebr.	Hennings	Martin, Colo.	Snyder, Pa.
Coffee, Wash.	Higgins	Massingale	Somers, N. Y.
Colden	Hildebrandt	Maverick	Sparkman
Cole, Md.	Hill, Wash.	Mead	Spence
Cooley	Honeyman	Merritt	Steagall
Cooper	Hook	Mills	Summers, Tex.
Cox	Houston	Mitchell, Ill.	Swope
Crowe	Hunter	Moser, Pa.	Thom
Cullen	Imhoff	Mosier, Ohio	Thomas, Tex.
Cummings	Izac	Mouton	Thomason, Tex.
Curley	Jacobsen	Murdock, Ariz.	Tolan
Daly	Jarman	Nichols	Towey
Deen	Jenckes, Ind.	Norton	Transue
Delaney	Johnson, Luther A.	O'Brien, Ill.	Umstead
Demsey	Johnson, Lyndon	O'Brien, Mich.	Vinson, Fred M.
DeRouen	Johnson, Okla.	O'Connell, Mont.	Wallgren
Dickstein	Johnson, W. Va.	O'Connell, R. I.	Walter
Dies	Jones	O'Connor, Mont.	Warren
Dingell	Kee	O'Connor, N. Y.	Wearin
Dinsney	Keller	O'Day	West
Dixon	Kelly, Ill.	O'Leary	Whelchel
Dorsey	Kelly, N. Y.	O'Malley	Whittington
Doughton	Kennedy, Md.	O'Neill, N. J.	Wilcox
Doxey	Kennedy, N. Y.	O'Toole	Withrow
Drewry, Va.	Kenney	Palmisano	Wolfenden
Driver	Keogh	Parsons	Wolverton
Duncan	Kerr	Patman	Zimmerman
Dunn	Kinzer	Patton	

NAYS—113

Allen, Pa.	Elliott	Luce	Sauthoff
Anderson, Mo.	Engel	Luckey, Nebr.	Schneider, Wis.
Andresen, Minn.	Englebright	McClellan	Seger
Andrews	Fish	McFarlane	Shafer, Mich.
Arends	Ford, Miss.	Mapes	Short
Arnold	Fuller	Martin, Mass.	Smith, Conn.
Ashbrook	Gearhart	Mason	Smith, Maine
Binderup	Gehrman	May	Snell
Bolleau	Gregory	Meeks	South
Brewster	Guyer	Michener	Starnes
Buckler, Minn.	Gwynne	Miller	Stefan
Burdick	Halleck	Mitchell, Tenn.	Tarver
Carlson	Hancock, N. Y.	Nelson	Taylor, S. C.
Carter	Hill, Okla.	Oliver	Terry
Case, S. Dak.	Hobbs	O'Neal, Ky.	Thomas, N. J.
Church	Hoffman	Owen	Thompson, Ill.
Clason	Holmes	Pace	Thurston
Cluett	Hope	Patterson	Tinkham
Cole, N. Y.	Hull	Plumley	Treadway
Colmer	Jarrett	Poage	Turner
Costello	Jenkins, Ohio	Powers	Vincent, B. M.
Crawford	Jenks, N. H.	Reece, Tenn.	Voorhis
Creal	Kitchens	Reed, Ill.	Williams
Dirksen	Knutson	Reed, N. Y.	Wolcott
Ditter	Kopplemann	Rees, Kans.	Wood
Dondero	Kvale	Rich	Woodruff
Dowell	Lambertson	Robison, Ky.	
Eberhart	Lemke	Rogers, Mass.	
Elcher	Lord	Romjue	

ANSWERED "PRESENT"—2

Collins McLean

NOT VOTING—81

Allen, Del.	Bradley	Celler	Dockweiler
Amie	Buckley, N. Y.	Cravens	Douglas
Bacon	Byrne	Crosby	Drew, Pa.
Bates	Caldwell	Crosser	Eaton
Belter	Cannon, Mo.	Crowther	Edmiston
Boyer	Cannon, Wis.	Culkin	Ellenbogen
Boylan, N. Y.	Casey, Mass.	DeMuth	Evans

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Ferguson	Kloeb	Schuetz	Teigan
Fernandez	Kniffin	Scott	Tobey
Fitzgerald	Luecke, Mich.	Scrugham	Vinson, Ga.
Fulmer	McSweeney	Secrest	Wadsworth
Gasque	Maas	Shanley	Weaver
Gavagan	Mansfield	Sirovich	Welch
Gifford	Millard	Smith, W. Va.	Wene
Gilchrist	Mott	Stack	White, Idaho
Gingery	Murdock, Utah	Sullivan	White, Ohio
Gray, Pa.	Patrick	Sutphin	Wigglesworth
Green	Peyser	Sweeney	Woodrum
Hartley	Phillips	Taber	
Hill, Ala.	Ryan	Taylor, Colo.	
Johnson, Minn.	Sadowski	Taylor, Tenn.	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Boylan of New York (for) with Mr. Douglas (against).
 Mr. Vinson of Georgia (for) with Mr. Bacon (against).
 Mr. Mansfield (for) with Mr. Eaton (against).
 Mr. Evans (for) with Mr. White of Ohio (against).
 Mr. Boyer (for) with Mr. Gifford (against).
 Mr. Fitzgerald (for) with Mr. Tobey (against).
 Mr. Byrne (for) with Mr. Crowther (against).
 Mr. Ellenbogen (for) with Mr. Maas (against).
 Mr. Belter (for) with Mr. Bates (against).
 Mr. Casey of Massachusetts (for) with Mr. Maas (against).
 Mr. Sullivan (for) with Mr. Mott (against).
 Mr. Dockweiler (for) with Mr. Culkin (against).
 Mr. Gavagan (for) with Mr. Wigglesworth (against).
 Mr. McSweeney (for) with Mr. Hartley (against).
 Mr. Schuetz (for) with Mr. Millard (against).
 Mr. Shanley (for) with Mr. Taylor of Tennessee (against).

Until further notice:

Mr. Woodrum with Mr. Wadsworth.
 Mr. Green with Mr. Gilchrist.
 Mr. Weaver with Mr. Welch.
 Mr. Fulmer with Mr. Amie.
 Mr. Taylor of Colorado with Mr. Johnson of Minnesota.
 Mr. Cannon of Missouri with Mr. Teigan.
 Mr. Crosser with Mr. Wene.
 Mr. Allen of Delaware with Mr. Patrick.
 Mr. Sutphin with Mr. Stack.
 Mr. Phillips with Mr. Ferguson.
 Mr. Kniffin with Mr. Bradley.
 Mr. Celler with Mr. Scrugham.
 Mr. Edmiston with Mr. Ryan.
 Mr. Cravens with Mr. Gingery.
 Mr. Gasque with Mr. Secrest.
 Mr. Buckley of New York with Mr. Sadowski.
 Mr. Fernandez with Mr. Gray of Pennsylvania.
 Mr. Scott with Mr. Luecke of Michigan.
 Mr. Hill of Alabama with Mr. Sweeney.
 Mr. Drew of Pennsylvania with Mr. Smith of West Virginia.
 Mr. Caldwell with Mr. Peyser.
 Mr. DeMuth with Mr. Crosby.

Mr. SMITH of Connecticut changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

ADDITIONAL JANITOR, COMMITTEE ON WAYS AND MEANS

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 275

Resolved, That until otherwise authorized by law there shall be paid out of the contingent fund of the House of Representatives the sum of \$1,260 per annum, payable monthly, as compensation to an additional janitor to the Committee on Ways and Means to be appointed by the chairman of said committee: *Provided, however*, That the authorization and appropriation contained herein shall terminate whenever a vacancy occurs in the position now held by Harry Parker.

Mr. WARREN. Mr. Speaker, 63 years ago a 12-year-old barefoot boy was found in the rotunda of the Capitol shining the boots of the Members of the House. He had come to town on the milk wagon from the Mount Vernon estate, where he and all of his forebears were born. His name was Harry Parker, and he had missed the return trip of the milk wagon. Since that time he has been working here in this building. We can well imagine that one of his courtly manner did come from the environs of Mount Vernon. There is a great fresco on the minority side of the House depicting Cornwallis treating for peace. Directly behind General Washington and one of his generals in that historic scene is a colored boy who was Washington's body servant,

and who carried his name. The boy in that painting is the grandfather of Harry Parker.

After performing various duties here in the Capitol for 17 years Harry became the janitor of the Ways and Means Committee in 1891, when it was headed by the brilliant William L. Wilson, of West Virginia. For 46 years, beginning with Mr. Wilson and continuing under Nelson Dingley, of Maine; Sereno E. Payne, of New York; Oscar W. Underwood, of Alabama; Claude Kitchin, of North Carolina; Joseph W. Fordney, of Michigan; William R. Green, of Iowa; Willis N. Hawley, of Oregon; James W. Collier, of Mississippi; and Robert L. Doughton, of North Carolina, he has been the faithful and loyal attendant upon that great committee and his cheery smile has greeted thousands of Members and visitors during his 63 years of continuous service as an employee of the House of Representatives. I can properly term him here today as a Christian gentleman.

He says he is 75 years old. From my check-up I think he must be much older.

Mr. Speaker, Harry is tired. The old man is weary. He is "wore out." His feet hurt him. Now you have got to come from my section or from Georgia or Mississippi to know what it means when an old colored man's feet begin to always hurt him. He has walked countless miles around these corridors carrying important messages and documents and ministering to the committee he loves so much. Harry needs a rest, and who is there who would keep him from it in the fullness of his years?

He receives a salary of \$130 per month. This resolution merely permits the Ways and Means Committee to have an assistant messenger and janitor at the rate of \$105 per month, and when Harry passes on to his reward the position is terminated. It is distinctly understood that this shall not be construed to be any precedent.

He said to me this morning, "Boss, if you gemmuns do this, what in the world is going to happen to me away from all of you?"

And I said, "Harry, just hang around here and make yourself at home the rest of your life, for you are just as much a part of this institution as is the dome over this building." [Applause, the Members rising.]

Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, I have enjoyed and I appreciate very much the historic facts related by my colleague, the distinguished chairman of the Committee on Accounts relative to the lifelong, faithful, and efficient services of Harry Parker. I have been here quite a while myself as years are numbered. When I arrived in Washington one of the first persons with whom I became acquainted and by whose faithful and diligent services I became attracted was Harry Parker. I have been a member of the Committee on Ways and Means for more than 12 years, never dreaming at the time I was elected to that committee that I would ever have the honor of serving as its chairman. I have been chairman of the committee a little more than 4 years. As has been stated, Harry Parker has been messenger of that committee beginning simultaneously with the services of Chairman Wilson, of West Virginia.

This, Mr. Speaker, is an outstanding exception, an extraordinary exception; in fact, Harry Parker is an extraordinary character. He is one of the most faithful, diligent, and conscientious public servants with whom I have ever been acquainted or whom it has ever been my privilege to know.

Harry Parker is the most industrious, the most faithful, and the most active of all the employees connected with our committee. I arrive at my office each morning before the elevator starts, which is prior to 7:30 a. m. When I reach my office Harry is there, and he remains all day. I cannot get him to take a rest or a vacation. Harry has collapsed two or three times on account of the condition of his health. He is not able to continue to do the work that is required of his position.

Mr. Speaker, I hope the resolution will be unanimously adopted as a tribute to the long, faithful, and loyal service

of one of the most faithful employees I have ever known around the Capitol.

I do not have at my command words to adequately express my feelings and my sentiments with regard to the services and the worth of this faithful employee. He is unable to live without his salary, therefore he cannot quit. But as my good friend the gentleman from North Carolina said, we want Harry to be at liberty and be at ease, so that he may come and go when he likes and have a sufficient amount of money to live on for the remainder of his days as a recognition and reward for his long and faithful service and an expression of the appreciation of this House of work well done and services faithfully performed and the fine example he has set that all public employees might profitably emulate.

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, everything has been said that need be said in relation to Harry Parker by the two gentlemen from North Carolina. It so happens that I am the senior member of the Ways and Means Committee in point of service on either side of the aisle. I simply wish to add my word of appreciation for the many years of personal contact with Harry Parker and to say that from the days of Claude Kitchin, who was the first chairman I served under, the list as presented by the gentleman from North Carolina actually covers a service of over 20 years that some of the Members have known him and his willing service not only to the committee members but to all with whom he has been thrown in contact.

When I came to Congress, Harry was in his prime, although he had then been with the Congress a great many years. I am sure I voice the sentiments not only of my colleagues on the Republican side but every Member that has served on the Ways and Means Committee during the period to which the gentleman from North Carolina [Mr. WARREN] referred, and I am sure all Members are in hearty accord with the recognition that this House of Representatives is willing to make today to a faithful, not servant, but companion, one might almost say, in the personality of Harry.

As the gentleman from North Carolina so well stated, this establishes no precedent. Where will we find another that has continuously served this membership for 63 years as Harry has done? The reminiscences of his days with the leaders of Congress in times gone by could be made a volume of very great interest, because he has watched the proceedings of Congress, particularly the proceedings of the Ways and Means Committee, over a long period of years, and has learned his lesson of the events of the day thoroughly. I feel that we are doing ourselves credit when we make this slight recognition of the long, faithful, arduous, and thoroughly satisfactory service of one of the finest characters I have ever known in my public life. I therefore join with the gentleman from North Carolina in urging the adoption of the pending resolution. [Applause.]

Let me add the following as illustrative of the depth of character of this man and of his tender nature and gratitude. I think it is proper to recite to the House an incident that occurred at the time of Speaker Longworth's death in April 1931.

There was sincere affection between the late Speaker Longworth and Harry Parker. Harry felt Mr. Longworth's death very keenly; he had lost a real friend. Congress was not in session when the Speaker passed away. It had adjourned a month before, hence there was no opportunity for the House to pay tribute. The House Chamber was deserted and silent. But there was one who entered the empty Hall to do homage to his devoted friend. It was Harry Parker. With tears streaming down his ebony face and with a simple prayer upon his lips Harry laid upon the Speaker's rostrum where Mr. Longworth had presided over the House for three terms a spray of lovely American Beauty roses and the gavel used by the Speaker when performing his last official acts. A touching tribute, born of the love of

a faithful colored servant with a white heart to a great and good man.

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MITCHELL].

Mr. MITCHELL of Illinois. Mr. Speaker and Members of the House, to me this is a great occasion. We are about to pay honor and show proper recognition to a man of my race who has rendered unusual service to the Congress and to the Nation. Because of the unique and important place the Negro occupies in the American Nation, and because of the high-class service the Negro has rendered this Nation for more than 300 years, and which he continues to render, and because he is often overlooked on occasions of this kind, it is very significant that the Honorable LINDSAY WARREN, a Member of this House for many years, coming from the State of North Carolina, has introduced this resolution which provides for the care and comfort of Mr. Harry Parker, who has been in the service of various committees at this Capitol for more than 60 years.

He has rendered distinguished service and has shown himself to be worthy of the respect, the confidence, and the admiration of this great body of men, numbering many thousands, who have come to the House during his employment here. I cannot let the occasion pass over my head without adding my word to what has been said here in his behalf and in commendation of this splendid service which he has rendered. I wish to say that the just recognition which we are showing him will reflect itself in the lives of the young and old of my race who believe in just and proper recognition of all mankind regardless of race. In the step that we are about to take here today, we are simply doing for Mr. Harry Parker what George Washington did for the grandfather of Harry Parker about 140 years ago.

I brought here a section taken from George Washington's will bearing on the same thing and while it will take about 3 minutes for me to read it, I believe the Speaker and the House will bear with me so that I may read just what George Washington said about the very thing we are doing here.

I quote from the last will of President Washington:

Upon the decease of my wife, it is my will and desire that all the slaves whom I hold in my own right shall receive their freedom. To emancipate them during her life would, though earnestly wished by me, be attended with such insuperable difficulties, on account of their intermixture by marriage with the dower Negroes, as to excite the most painful sensations, if not disagreeable consequences to the latter, while both descriptions are in the occupancy of the same proprietor; it not being in my power, under the tenure by which the dower Negroes are held to manumit them. And whereas among those who will receive freedom according to this devise, there may be some, who, from old age or bodily infirmities, and others, who on account of their infancy, will be unable to support themselves, it is my will and desire that all who come under the first and second description shall be comfortably clothed and fed by my heirs while they live; and such of the latter description as to have no parents living, or, if living are unable or unwilling to provide for them, shall be bound by the court until they shall arrive at the age of 25 years. * * * The Negroes thus bound are (by their masters or mistresses) to be taught to read and write, and to be brought up to some useful occupation. * * * And I do expressly forbid the sale or transportation out of the said Commonwealth of any slave I may die possessed of under any pretense whatsoever. And I do moreover most pointedly and most solemnly enjoin it upon my executors hereafter named, or the survivors of them, to see that this clause respecting slaves, and every part thereof, be religiously fulfilled at the epoch at which it is directed to take place, without evasion, neglect, or delay, after the crops which may be then on the ground are harvested, particularly as it affects the aged and infirm; seeing that a regular and permanent fund be established for their support, as long as there are any subjects requiring it; not trusting to the uncertain provision to be made by individuals. And to my mulatto man William, calling himself William Lee, I give immediate freedom, or, if he should prefer it (on account of the accidents which have befallen him, and which have rendered him incapable of walking, or of any active employment), to remain in the situation he now is, it shall be optional in him to do so; in either case, however, I allow him an annuity of \$30 during his natural life, which shall be independent of the victuals and clothes he has been accustomed to receive, if he chooses the last alternative; but in full with his freedom, if he prefers the first; and this I give him as a testimony of my sense of his attachment to me, and for his faithful services during the Revolutionary War.

It is significant that George Washington, the Father of his Country, did for his disabled, incapacitated slaves just what

we are proposing to do here for a descendant of George Washington's faithful Negro bodyguard. The Father of his Country, about 150 years ago, considered the debt of gratitude he owed his Negro slaves and made provision for their freedom at the death of his wife. At the same time he provided a pension for all of his disabled slaves at that time and for those who would be disabled at the death of his wife.

He realized that these people, though slaves, had made a large contribution to his own success. One of them particularly, William Lee by name, had gone with the general as his bodyguard through the Revolutionary War, had stood by him during his most critical hours, served and nourished him during his hours of illness, encouraged and prayed for him during hours of darkness and seemingly despair.

Washington would highly approve what the House of Representatives is doing today for a grandson of that Negro slave who went with him through the Revolutionary War and administered to his wants until the death of the general. This faithful man that we are honoring today is an exemplification of the fine traits shown in the character of Washington. He has served this Nation at this Capitol during the past 63 years and has rendered the highest type of service at all times. He has made thousands of friends by reason of his honesty, his faithfulness, his industry, and his sterling character. His life might well be an example for the young people of this age—both white and colored—because it is refreshing to pause for a moment and review the life of one who has rendered so many years of service to his fellow man and to his country, and has done so because of his love for his fellow man, his loyalty to his country, and his faithfulness to every trust.

During the long years that Harry Parker has been employed at this Capitol he has not been an eye servant; he has been efficient and faithful in every respect; and when I say he has been efficient I simply mean this: He has done the right thing in the right way at the right time without having to be told. What trait of success is more needed among our young today than that trait, so well illustrated in the life of this man we are honoring? I wish to congratulate the Honorable LINDSAY WARREN for bringing this resolution before the House providing for this recognition of the fine work done by my friend. I wish to congratulate the House for the fine spirit displayed here in honoring this man for the work he has done. I regard this as typical of the highest American spirit and ideal. I am happy, indeed, to have had this opportunity to say this word on this occasion, where such humane consideration is being shown a faithful and deserving member of my race. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. JENKINS] and 1 minute to the gentleman from California [Mr. FORD].

Mr. JENKINS of Ohio. Mr. Speaker, to the long list of distinguished chairmen of the Ways and Means Committee under whom Mr. Parker worked, one was inadvertently omitted. I refer to Mr. William McKinley. I know that Mr. McKinley and Mr. Parker were very warm friends. Most great men—and Mr. McKinley was a most striking example—were very cordial to those who were closely associated with them. When Mr. McKinley was chairman of the Ways and Means Committee much of his work was done in what we now call the little Ways and Means room. And there it was he spent most of his spare time. Harry Parker had the privilege of waiting on this distinguished man, who was quite as distinguished in his courteous manner as in his statesmanship. Mr. McKinley and Harry had one thing in common besides their innate courtesy. It was that both were much inclined to be religious. Mr. McKinley was wont to read his Bible very frequently. When McKinley left the Congress he left his Bible in the Ways and Means room. Harry prized this Bible highly, and when I became a member of the Ways and Means Committee Harry presented this Bible to me. He did this, as he said, for he wanted McKinley's Bible to go to an Ohio member of the committee and to another Ohioan whom he considered to be his friend. It goes without saying that I appreciated this very much.

Probably no man added more luster to the distinguished position of chairman of this powerful committee than did Mr. McKinley. Position on this committee is a great honor. Although Ohio is one of the greatest States of the Union, and although it is one of the greatest Republican States of the Union, only four Republican Members from Ohio have held places on that great committee since the day of Mr. McKinley. Three of these were Gen. Charles H. Grosvenor, of Athens, Ohio; Speaker Nicholas Longworth, of Cincinnati; and Charles C. Kearns, of Amelia, Ohio.

However well all these great statesmen performed their work, however great was their fidelity to their duties, none of them performed his duty more conscientiously than did Harry Parker. His work was more menial than theirs. His name is not written in gold letters across the sky of national fame. But when fidelity is the text and when courtesy and kindness are given their proper consideration in computing the real worth of a man, Harry Parker will still be associated with men like McKinley and Underwood and Longworth. I am proud to say these few words in testimony of the worth of my friend Harry Parker. [Applause.]

Mr. FORD of California. Mr. Speaker, I think this occasion is one that will go down in the history of the House of Representatives as a day on which the House has shown a broad spirit of genuine humanity.

Every man who has come to this House and every member of the staff of the House of Representatives is conscious of the smile and the pleasing personality and the simple and genuine courtesy of manner which Harry Parker displays to everybody. It is a joy to meet him. It is a privilege to know him. May I say to the Members of the House that they have today as a body shown their great humanity in conferring upon him a distinction in recognizing his long, active, and faithful service.

The SPEAKER. The question is on the resolution. The Speaker demands a division.

The House divided; and there were—ayes 340, noes 0.

So the resolution was agreed to.

WILLIAM P. CONNERY, JR.

Mr. McGROARTY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McGROARTY. Mr. Speaker, it is exactly in conformity with the fine thing which has just been done to remind the Members of the House of a tribute to be paid to a former Member of this House, no less a person than the gentleman from Massachusetts, the late Hon. WILLIAM P. CONNERY, Jr.

A committee of the House has arranged a memorial service, and notices were sent out to this effect. However, I find that many Members, for some reason or other, have not seen the notice. May I call to your attention that next Thursday morning, the day after tomorrow, at 9 o'clock, in St. Matthews Church, at Rhode Island Avenue and Seventeenth Street, there will be held a memorial service called "Month's Mind", because on Thursday Mr. CONNERY will have been dead 1 month. The committee would feel honored if every Member of the House would attend this service. The service begins at 9 o'clock and will be concluded in ample time for all Members to meet their 10 o'clock committee appointments or other appointments they may have at that hour.

Mr. Speaker, I thank you and the House for this opportunity to remind the Members of this occasion.

PUTTING THE BREADMAKERS OF THE UNITED STATES OUT OF BUSINESS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, the Scriptures tell us that man cannot live by bread alone, but bread is now and always has been a very essential and necessary part of man's balanced or unbalanced diet. Do you realize that a very serious

situation confronts the bread makers of the United States who live and do business along the Canadian border? Do you know that bread baked in Canada from Canadian flour comes into the United States duty free? Well, it does. Square this with the fact that Canadian wheat, lower in price than similar American wheat, if imported, would be subject to a duty of 42 cents a bushel. Think this over.

Talking about bread and wheat, I ask you seriously what justification is there for taxing the raw material and allowing the finished product to come in duty free? Yes; duty free. But—and here is the rub—if the United States bakers sold their bread in Canada, it would not be duty free in Canada; it would be subject to a duty or tax of nearly 50 percent; to be exact, a duty of 49.4 percent.

In this connection I would like to call attention to one provision of the so-called reciprocal-trade agreement with Canada negotiated not so long ago and which has had 1 year to run thus far. Therein one of the concessions given to the United States was that which reduced the tariff exacted by Canada upon bakery machinery and apparatus made in the United States by some 57 percent.

The result of this reduction in duty is shown in the figures which disclose that American-made bakery machinery and apparatus sales to Canada increased some 248 percent in 1936 over the year 1935.

So it seems to me that about the only notice the border bakers have had from their Government in recent years has been this move, whereby the latest and most efficient bakery machinery built in this country has been made available to the Canadian bakers at a price considerably below that which they heretofore have paid. It is not necessary for me to point out that the Canadian bakers, through the use of this more efficient machinery, thereby were enabled to occupy a more strategic position from the viewpoint of lowered costs of production, and also were enabled to increase the magnitude by which they could undersell our border bakers. That they have done so is attested to by the figures which show that during the first 4 months of 1937 nearly double the amount of bread was imported into this country from Canada than in the comparable period of 1936. This increase in importation, and at the price demanded for the imported article, has been one of the major causes as a result of which in the relatively small area of the New England national borderline some 17 bakers have had to close up shop completely.

Is this reciprocity? I ask you. Is it not extending the good neighbor policy to the breaking point when you put your own people out of business to the end that your neighbor may prosper at the expense of your own citizens?

It is a fact that Canadian bread sells today in the United States for less than it costs our bakers to make it. Is that right, or just, or fair to American industry? It just does not make sense. Bread imports from Canada have increased 1,182 percent in the last few years and are increasing with alarming rapidity and to the actual damage of our bread makers, who in large numbers along the Maine, Vermont, and New Hampshire Canadian border have been driven out of business. The same condition prevails all along the border, and you Representatives of those districts adjoining the Canadian border in the West will hear about it, if you have not already heard.

Seventeen bakeries in Maine, New Hampshire, and Vermont have been forced to close. Ninety-six people have been put out of business thereby.

IMPORTS OF CANADIAN BREAD ALMOST DOUBLE

While in 1927 Canadian imports of bread were 237,190 pounds, in 1936 there were 3,041,188 pounds imported, and in the first 4 months of 1937 the imports of Canadian bread were almost double those of the first 4 months of 1936.

The bakery industry in New England, not to say country-wide, represents a financial investment of many millions of dollars. It, the industry, furnishes—or has furnished until interfered with by this Canadian imported-bread problem—steady and profitable employment to several thousand citizens of these United States. Is it not about time that we did something to conserve our own industries and to protect our own citizens in their peace, comfort, prosperity,

and pursuit of happiness, instead of being outguessed and outraded in these so-called trade treaties, theoretically reciprocal, which do not reciprocate? "Res ipsa loquitur", as our legal friends would say.

Our forefathers had an interesting theory that swallows lived on air. The birds were observed to fly with their mouths open and never to come to ground, so our ancestors classed swallows with chameleons, as aerophagi.

My honest conviction is that had our forefathers not been born out of time, had they lived today and observed the hysteria of some people, who shall be nameless, they would be justified in believing with us that there are too many human aerophagi abroad in the land today, high-flying folk, who live on airy "isms", "ologies", and theories, scornful of those of us why try, at least, to keep one foot on the ground.

LET US GET PRACTICAL FOR A CHANGE

As many of you know, this is a matter concerning which I have been active for some time, as have been others, in an attempt to correct a critical and a very serious situation.

On January 5 last the minority leader [Mr. SNELL] introduced H. R. 55, which undertakes to provide for a duty on bread leavened with yeast. No action has resulted.

Congressman McCORMACK, of Massachusetts, recognizing all these things about which I have spoken, has introduced, by request, H. R. 6562, which amends section 601 of the Revenue Act of 1932 and imposes a tax of 3 cents per pound on imported bread leavened with yeast, except certain rye breads, which will remedy the situation by imposing a tax on imported bread, which tax amounts to 3 cents a pound. If you pass this bill and it becomes a law, you will save your bread bakers of the United States. If you do not, you are standing by and doing nothing and permitting that valuable and essential industry to be stabbed and bled to death by those who pretend to be its friends, while its neighbors across the line are prospering and happy and contented as we pay them, and pay the penalty, for our own obtuseness.

SAVE THE BAKERIES OF THE UNITED STATES

Time and expedition are the essence of the saving of these baking industries. Every day's delay spells approaching disintegration and destruction of the business.

Get behind the McCormack bill, and let us have immediate, concerted, and cooperative action that will produce the desired results, namely, the early consideration of this measure and its enactment into law. [Applause.]

EXTENSION OF REMARKS

Mr. MAGNUSON asked and was given permission to extend his own remarks in the RECORD.

INTEREST RATE ON CERTAIN FEDERAL LAND-BANK LOANS—VETO MESSAGE OF THE PRESIDENT

The SPEAKER. The unfinished business before the House is, Will the House, on reconsideration, agree to pass the bill H. R. 6763, the objections of the President to the contrary notwithstanding?

Mr. JONES. Mr. Speaker, I regret exceedingly that I cannot follow the suggestions contained in the message of the President.

There is much force to the statements and facts which he presents.

If there were no additional facts and circumstances to be considered, the situation might be different; but in the light of all the facts and circumstances, I feel that the legislation should be enacted.

The committee gave considerable time to the discussion of the various issues involved.

The contract rate on outstanding land-bank loans varies from 4 percent to 6 percent, though the major portion of the outstanding loans have a contract rate of 5 percent. All of the commissioner's loans bear interest at the rate of 5 percent.

All of the land-bank loans made during the last 2 years have borne a contract rate of 4 percent, and that is the rate that is called for in the loans that are being made at this time; that is, the current loans.

However, for the past 2 years we have had an emergency land-bank rate of 3½ percent. This rate expires this month,

and in the absence of legislation, all of the outstanding loans will revert to the various contract rates.

The bill under consideration continues the emergency rate of 3½ percent for the fiscal year beginning July 1, 1937, and provides for a 4-percent rate on all outstanding loans for the fiscal year beginning July 1, 1938.

The bill also provides that all Commissioner's loans for the 2 years shall bear interest at the rate of 4 percent instead of the present rate of 5 percent.

For generations two burdens have lain heavily upon the home-owning farmer: First, taxes; second, interest rates. His farm cannot get away. He cannot dodge taxes. He must pay these taxes regardless of whether he has any income whatever from the farm during the year in which the taxes fall due.

The farmer has no fixed income, and therefore the interest rates bear heavily, especially during years in which there is no production or in which farm prices are low.

If the present measure is enacted into law, the emergency 3½-percent rate will be continued for 1 year, and then it steps up on all loans to the current contract rate of 4 percent, so that beginning with July 1, 1938, all land-bank and commissioner's loans will bear interest at the rate of 4 percent. This seems to me to be a fair rate, and I believe these interest rates are as high as the farmer should be called upon to pay. If the measure is not enacted, the farmers will have different rates of interest to pay, varying from 4 percent to 6 percent, depending upon the time at which the loans were made.

A good many relief measures are still outstanding. Various individuals, both in the town and in the country, have been given combined relief loans and grants. The Resettlement Administration has been permitted by Executive order to make loans at a rate of 3 percent per annum. The Rural Electrification Administration is permitted to make loans at 3 percent. I am not criticizing these rates. I am simply drawing the comparison.

Mr. DOWELL. Mr. Speaker, will the gentleman yield for a question?

Mr. JONES. I would prefer to wait until I have finished my statement, then I shall be pleased to yield.

The present emergency farm interest rates have enabled many farmers to stay off relief rolls and to stave off foreclosure.

I am impressed with the thought that so long as we find it necessary to make special concessions to certain groups the lure should be up the ladder instead of down, and that one who is trying to make a go of it on his own and pay the interest rates which are stipulated should at least not be discouraged. In other words, I do not think we ought to put a premium on sluggishness and a penalty on thrift. It seems to me there can be no controversy over that principle. [Applause.]

Many of you have lived on a farm, as I have. If so, you know the very great burden of paying high interest rates when the living must be made from the production of the farm. If the rates remain high, there is little hope of paying off these obligations and becoming in the full sense free men.

I submit herewith the rates that will be paid by the land-bank borrowers on outstanding loans if the rate goes back to contract basis:

There are outstanding, as of March 31, 1937, in round numbers, \$2,058,000,000 in loans. Of these, two hundred and nine million bear interest at the rate of 4 percent, fifty-seven million bear interest at the rate of 4¼ percent, eight million bear interest at the rate of 4½ percent, one and a half million bear interest at the rate of 4¾ percent, one billion eighty-five million bear interest at the rate of 5 percent, forty-eight million bear interest at the rate of 5¼ percent, five hundred and sixty-three million bear interest at the rate of 5½ percent, seventy-eight thousand bear interest at the rate of 5¾ percent, eighty-four million bear interest at the rate of 6 percent, and a few thousand bear interest at the rate of 6½ percent.

Commissioner's loans outstanding on March 31, 1937, numbered eight hundred and thirty-three million, all bearing interest at the rate of 5 percent.

The expense to the Government depends upon how the matter is figured. If the loss to the Government is figured as the difference between the rate stipulated in the bill and the old contract rates, the expense to the Treasury would be the figure set out in the message. However, I anticipate that no one expects the 5-percent, 5½-percent, and 6-percent loans to be restored permanently.

If the loss is figured as the difference between the interest rate of 3½ percent provided in this bill for this year and the current contract rate of 4 percent, the loss to the land banks would be about \$10,000,000 per year on the land-bank loans. I believe no one can figure exactly what the loss will be on the commissioners' loans, but the difference in the 5-percent and the 4-percent rate would be about \$8,500,000.

The Farm Credit Administration now holds 37 percent of the outstanding farm mortgages of the United States. Every farmer in the country who needs money for the purposes outlined in the bill is eligible to borrow from the system. It seems to me, therefore, that there is no discrimination. Of course, there are some higher interest rates paid to private individuals and private lending companies, which, because of provisions in the mortgage or for other reasons, cannot be refinanced by the Farm Credit Administration. At the same time, the Farm Credit Administration facilities are open to all the farmers in America who need the advantages of a loan.

So long as the conditions require special concessions to different groups, it seems to me that these home owners who are struggling to make a go of their own affairs and who are competing with some of those who are allowed these concessions should receive consideration. The Nation is interested in home owners. This concession is made to them as such.

I want to express appreciation of the fine accomplishment of the Farm Credit Administration. It has made more loans at a lower rate of interest than have ever been made in the history of this country and at lower rates than are now being made in any other country for the same type of loan. The farmers owe much to this fine organization.

But, in the light of the surrounding circumstances and the conditions prevailing, and in view of the step-up provision of the bill, which establishes a 4-percent rate beginning with the next fiscal year, I feel that the measure should be enacted into law.

I may say this matter was gone over carefully by the Committee on Agriculture, and the committee voted overwhelmingly to take this action.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. MARTIN of Colorado. May I ask the gentleman how did there come to be such a wide range of interest rates and so many different rates of interest on loans from the same agency to the same group or class of borrowers?

Mr. JONES. The provisions in the original act stipulated that the rate of interest to be charged should be the rate which the land bank paid on their obligations which they sold, plus the essential costs of administration to be prorated, thus making the rate approximately 1 percent or sometimes a little more above the then prevailing rate. So it is determined by the outstanding cost of obligations, and the rate of interest which is paid for current money on a long-time basis.

Mr. PETTINGILL. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. PETTINGILL. If the veto should be sustained, what prospect is there that other legislation would be introduced by the gentleman's committee into the House with a higher rate of interest, say 4 percent, which the Farm Credit Administration would agree to? Is the gentleman under the impression that the Farm Credit Administration is determined that all rates shall go back permanently to the contract rates?

Mr. JONES. I think, in all frankness, the Farm Credit Administration might agree to recommend some concession, but just how much it would be I cannot tell the gentleman. I do not believe they would be willing to make any concession on the commissioner's loans. I think they would probably be willing to agree to some concession on the land-bank loan interest rate. The current contract rate on land-bank loans is 4 percent. For more than a year the Farm Credit Administration, due to fine management, has been able to sell their obligations at a low rate, and they are not Government guaranteed, as a lot of people think. The reason they can sell them at a low rate is because they have been on a sound basis. They have been selling their obligations at around 3 percent and have been making loans for more than a year at around 4 percent. I have hopes, of course, that we could get a 4-percent rate, if we could agree on it, but when we go back we may get into a jam. This is merely a 2-year extension, and I hope if this bill is passed we may be able in that time to work out a permanent uniform rate, and enact it into law, which will be around 4 percent, or not very far from 4 percent.

Mr. PETTINGILL. Mr. Speaker, personally I would like to see some compromise agreement arrived at, but apparently the gentleman has not sufficient confidence in the acquiescence by the Farm Credit Administration to prevent him from voting to override the veto.

Mr. JONES. I think, even though they agreed to it this late in the session, with the conditions prevailing in another body, we might have difficulty; and I will say to the gentleman that on July 1 of this year the old contract rates went into effect, and they are now in effect, and will continue, unless this legislation or some other provision becomes a law. Some of the farmers, beginning July 1, are paying 5½ percent and some 5¾ percent on those various rates.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. KNUTSON. Mr. Speaker, I was not a Member of the House when the original Farm Loan Act was passed, but it is my understanding that at that time it was the intention of Congress that the money loaned by the Federal land bank to farmers should be at as near cost as possible.

Mr. JONES. I understand that was the philosophy. I was not here at that time either.

Mr. KNUTSON. The gentleman and I came in together. I understand that the earnings of the Federal land bank this year were approximately the same amount as the President states in his message that the Government would sustain in the form of a loss if this legislation is passed.

Mr. JONES. The statements in the message are accurate as between the rates stipulated here and the old contract rates.

Mr. KNUTSON. If that be true—and I know it is true—then if we override the veto the Government will not be out any money, because we merely absorb the earnings and give the farmers the benefit of the earnings.

Mr. JONES. No; I think that is an inaccurate statement. The Government will be out. The Treasury would have to make provision for this institution as such to pay the losses on the difference.

Mr. KNUTSON. What I am getting at is this: If we continue the low rates it will merely wipe out the earnings of the land bank.

Mr. JONES. That is a difference of opinion. As a matter of fact, I have hoped that we can get a continuing 4-percent rate. But the land banks must charge a rate that will make the institutions self-sustaining, or the Government must absorb the loss, or the institutions would go into bankruptcy.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. REES of Kansas. The gentleman from Texas has explained that these bonds that were sold to offset the loans at 5 and 6 percent were for about 1 percent less than the interest rate on the loans.

Mr. JONES. Yes.

Mr. REES of Kansas. But half of those loans were 5 percent or more, and is it not a fact that nearly all of those bonds have been refinanced at 3 percent?

Mr. JONES. No.

Mr. REES of Kansas. So that the prevailing rate is a little more than 3 percent now?

Mr. JONES. That is not correct. Some have been refinanced and a good many have not been, because they are not callable. In 1933 they refinanced, and some of them at 4 percent, and that is the lowest they had ever been able to get up to that time, and they thought that was fine. That was refinancing 5-percent bonds at a 1-percent reduction. Some of them are still outstanding.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. DOWELL. Originally when this law was passed making these loans, was it not the understanding that this was to be made at as low a rate of interest as possible?

Mr. JONES. I think that is the desire of the President and the desire of all of the Members of the Congress. I do not believe there is any dispute over that.

Mr. DOWELL. Then may I ask how can it be figured that there is a loss to the Government at three and a half percent at the present time, when the Government is borrowing money at a less rate than the amount it is charging for these loans?

Mr. JONES. This institution, as well as its obligations, are sold in the open market. The Government does not even guarantee the interest on these bonds.

Mr. DOWELL. I understand, but it is Government money and under Government control.

Mr. JONES. As I understand, the Government is selling its long-time obligations now at rates which vary from 2¾ to possibly 3 percent, although I have not the latest figures on that.

Mr. DOWELL. Are not farmers entitled to as low a rate of interest as anybody else in borrowing from the Government?

Mr. JONES. They have the lowest rate given any individual, so far as I have been able to determine. I have the figures of various institutions and I know of no individual loans that run less than those to the farmers.

Mr. DOWELL. They are making loans at a less rate than to farmers.

Mr. JONES. They are making loans to institutions at 3½ percent, but most of those are farm-credit institutions.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. LUCAS. Is it not a fact that with regard to the question of loans, as the gentleman just stated, that if this veto is sustained by this House, the farmer will then be getting a rate of interest comparable with any other agency in this country that is borrowing money from this Government?

Mr. JONES. When it gets down to the individual bases, that is correct. That much must be said in fairness.

Mr. FORD of California. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. FORD of California. Home-loan owners pay 5 percent?

Mr. JONES. Yes.

Mr. FORD of California. Why should they pay any more than a farmer?

Mr. JONES. Let me state the difference: The gentleman asked me a question which I think deserves an answer. I want to make it clear that I do not say that the home-owners' loan rates are too high or too low. I am not passing on them. But there is a reason for the distinction, and that is this: The average farm income shown by statistics is much less than the average income in the town or in the city. This fact is recognized throughout the country and all through Government operations. The W. P. A., for instance, allows wage rates in New York, I understand, at \$95 per month. In certain sections of the country they are much less, ranging down to less than half the New York rate.

The whole income situation in the city and in the town is on a somewhat different basis. I am not passing on the merit of the standards set up by the Home Owners' Loan Corporation. I think there is a further distinction. Home owners' loans were made on an 80-percent basis. These land banks loaned on a 50-percent basis, plus a 25-percent commissioner's loan, and if you will figure the evident losses that are coming in the Home Owners' Loan, you will find the loss to the Government will be considerably more there than it is in this institution. I just offer those as indications. I think the two should be decided on their own merits. I do not like to make the comparison, but the gentleman brought it up and he is entitled to an answer.

Mr. FORD of California. I think the House is entitled to an explanation also.

Mr. JONES. I think so.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. ROBSION of Kentucky. If this rate of 3½ percent is maintained for another year and the other provisions of the bill, it will have a tendency to lessen the number of foreclosures, will it not?

Mr. JONES. I think that is correct.

Mr. ROBSION of Kentucky. Is that not an important consideration?

Mr. JONES. I think it is very important.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. DUNN. What percentage of the farmers of this country will this bill affect?

Mr. JONES. This bill affects about the percentage named in the message.

Mr. DUNN. What is that?

Mr. JONES. About 10 percent of the farms, but I do not think the answer to that makes a fair presentation of the facts. Here is a fair presentation of the facts: Only 42 percent of the American farms have any mortgage on them. I wish there were not any on them, but there are only 42 percent of the farms that have mortgages on them. Of those mortgaged farms the Farm Credit Administration has nearly 40 percent. So, insofar as mortgages are concerned, there are nearly 40 percent involved in this legislation.

Mr. DUNN. Then if the President's veto is sustained, it means that 10 percent of the farmers will be compelled to pay a higher rate of interest; is that correct?

Mr. JONES. That is correct.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. CASE of South Dakota. The question has been asked and the chairman of the committee has stated that the rate of cost to the farmer was based on the cost of this money to the Government?

Mr. JONES. No. The cost to the Farm Credit Administration.

Mr. CASE of South Dakota. Yes. Yesterday I asked the Farm Credit Administration for the interest rates on the refundings, and they gave me these figures, which I have totaled up: In consolidated fundings, \$712,837,000 have been refinanced at 3 percent; \$201,031,100 have been refinanced at 3¼ percent; \$879,706,740 have been refinanced at 4 percent.

Mr. JONES. I will state to the gentleman that those are the lowest refinancings that have ever been made under the land-bank system, and I believe the lowest ever made by any agency that was not Government owned.

Mr. CASE of South Dakota. If these figures are added up, it means that the average rate on that refinancing is 3½ percent, which would be the rate contemplated?

Mr. JONES. Of course, the gentleman understands that the cost of administration in making individual loans must range around 1 percent, and with private lending agencies it is more than that.

Mr. CASE of South Dakota. Just one further observation. In the first of the refundings in 1934, 4 percent was the lowest rate. The first half of 1935, 3¼ percent, and the

last half of 1935 and 1936, 3 percent has been the rate. Does not the gentleman think that with the continued refinancing we will have an average rate of around 3 percent, which will amply justify the lower rate?

Mr. JONES. Ultimately, I hope that the financing may be done on a basis that will permit a permanent 4-percent rate to the farmer. That would be possible if all obligations were callable, and if all outstanding obligations could be refinanced at 3 percent. But, of course, this cannot be done all at once.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. CRAWFORD. Is it not true that of the total debt now outstanding, about thirty-six and one-half billion, the average rate is about 2.582 percent?

Mr. JONES. What institution is the gentleman talking about?

Mr. CRAWFORD. The Federal debt. The average interest rate is about 2.582 percent.

Mr. JONES. I am not familiar with that.

Mr. CRAWFORD. I think the Treasury releases yesterday stated that. Is it not true that one of the finest ways in the world to enable the Farm Credit to dispose of these bonds on a refunding basis at a low interest rate is to keep this rate low enough so that these farmers can pay the interest and principal when it matures?

Mr. JONES. I think so.

Mr. CRAWFORD. And thereby show that they are keeping things paid up to date?

Mr. JONES. I believe that is correct.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. FITZPATRICK. Assuming the President's veto is sustained, what are the chances of a compromise bill being brought in that will meet with the approval of the administration and the farmers?

Mr. JONES. The gentleman asks me a question that I cannot answer. We would have some very difficult conditions. It is pretty late in the session. We might be able to work out one, I will say frankly.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield to my colleague.

Mr. RAYBURN. This matter was passed upon the first time about 1933, was it not?

Mr. JONES. Yes.

Mr. RAYBURN. When our farm population was probably at the lowest ebb of their depression?

Mr. JONES. Yes.

Mr. RAYBURN. I ask my colleague if it is not true that since that time the farm income has practically doubled?

Mr. JONES. That is correct. It has been increased very, very greatly. I do not know whether it would be quite that much.

Mr. RAYBURN. It is something like \$5,000,000,000 as compared with \$9,000,000,000 gross.

Mr. JONES. Yes.

Mr. RAYBURN. This bill will cost the Federal Treasury for the next 2 years, I understand, about \$52,000,000.

Mr. JONES. It will cost that as between this and the old contract rates.

Mr. RAYBURN. If we are to do this for the farmer, we will be asked to do the same thing for the urban home owner. I think the gentleman will agree with me that the farmer in his country and mine is pretty well out of the depression as far as farm prices are concerned. I think we are selling the produce of our farms at about as reasonable prices as we have had in his time and mine. What argument would we have with reference to the urban home owner should he say he is paying an excessive rate when he is trying to acquire a little home? What argument are we going to make against him if the Committee on Banking and Currency brings out a bill affecting his interest rate? That would cost the Government maybe \$25,000,000, maybe \$50,000,000, or maybe \$100,000,000. I am sure my friend, the gentleman from Texas, knows that I do not ask these questions or make these

statements in criticism of him, because I know he has a very hard job, but it is quite possible that all these things added together would increase our annual outlay from \$150,000,000 to \$200,000,000. I think we all realize, I do at least, that it is vitally necessary, and one of the most important things that faces the country, to balance the Budget not later than 1939. [Applause.] We should strive toward that end. I know there are sections of the country in dust and drought which have not in any very great degree recovered, but I believe that the average farmer in this country, the average landowner in this country, with an interest rate reduced 40 percent from what it was if the 4 percent obtains—and I am confident I speak for the vast majority of the farm people of my immediate section in saying this—while he wants a low rate of interest he is willing to pay what it costs the Government with the cost of administration added.

It appears to me that if the President's veto is sustained, that the gentleman from Texas and his committee would in all probability be able to work out something—and we are to be here for some time yet—that would protect the farmer in a lower rate of interest than he has ever had except this 3½ percent, and yet not take money out of the General Treasury.

Mr. JONES. There is much force to the gentleman's argument. As I stated a while ago, however, comparing the average farm income with the average income of the man in the city, it will be found that there is more difference there than there is between the home owner's rate and the 4-percent rate. We shall find, if this legislation is not passed, that we shall immediately go back to the old contract rate unless we can get some legislation through. This is temporary legislation, and I would like to see it enacted to hold the lines until we can work it out on a permanent basis.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. FITZPATRICK. Does the gentleman take into consideration the standard of living and the cost of living in the great cities as compared with the same costs on the farms?

Mr. JONES. I am just taking into consideration the facts I spoke of. I do not know why the standard of living should be greatly different in the cities than in the country.

Mr. FITZPATRICK. There is not any question in the gentleman's mind but what there is a difference, is there?

Mr. JONES. There probably is, but I think the farmer is entitled to as many rights as the man in the city. I do not think there ought to be any distinction.

Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I desire to make a few brief observations with respect to some matters which I think should be considered in connection with the President's message.

The President's veto message is predicated upon the idea that the emergency is over as far as the farmers of this country are concerned. It is stated in the message that farm income has increased and that the level of farm prices has increased. This is true; but I want to call the attention of the House to the fact that high farm prices do not do the farmer any good when he has nothing to sell, and that is just the situation in which a large proportion of our farmers have found themselves during the past year. Prices have been good because of drought and crop failures, but the farmer who had nothing to sell got no benefit whatever from that situation. This is the reason, very largely, why a continuing farm emergency is with us. Perhaps in another year, with good crops and good prices, the situation may be different; but for the present the emergency is still with us. If there was reason last year and the year before for giving the Federal land-bank borrowers an interest rate of 3½ percent, that reason prevails to the same extent today.

Later this afternoon the House will act upon the conference report on the farm-tenancy bill. We adopted that legislation for the purpose of doing away with the evils of farm

tenancy. We are very foolish, it seems to me, to start a long program of farm-tenancy relief in this country unless we do what we can to prevent the lapse into tenancy which will take place under present conditions unless interest rates are somewhere near what the farmers can pay under existing conditions. During the last 5 years the net increase in the number of farm tenants in this country has been 200,000, or an average of 40,000 per year. Unless we can stop this drift it is idle to talk about solving the problem of tenancy.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. THURSTON. In regard to the economy phase of the President's veto message is it the program today that we are to vote upon the proposal to give the President 6 additional secretaries, making a total of 10 secretaries? He already has four, two more than any of his predecessors had. I ask the gentleman, also, if it is not true that at this time the Federal Government is lending money to shipbuilding concerns for less than 1 percent per annum? The farmer is to pay from 4 to 6 percent.

Did we not just recently provide \$60,000,000 additional out of the Treasury to build more ships, the builders of which will likely receive these low interest rates? These ship concerns also receive subsidies. There are other groups in the country that are being more preferred out of the Federal Treasury in regard to interest rates than the farmers. Therefore other groups are being greatly preferred.

Mr. HOPE. I am in agreement with the gentleman in his contention that there are a great many favors being shown other groups which are being denied the farmer. Furthermore, if the matter of economy is involved, it would take the rest of the afternoon to even enumerate the places where waste and extravagance can be stopped. As long as we can spend over \$500,000,000 a year on the Navy and almost that much on the Army, and can spend over \$1,000,000,000 in 6 months buying gold from all over the world at artificial prices, we can afford to spend a little to ease the interest burden of the farmer.

But right in connection with Government savings let me call attention to the fact that so far as the farmers of this country are concerned we have been doing pretty well in making savings out of the appropriations which the Congress has made for their benefit. Most of you read in the press this morning that \$60,000,000 is to be turned back into the Federal Treasury by the Agricultural Adjustment Administration out of the \$500,000,000 which was appropriated last year for soil-conservation payments. Two years ago we passed a bill making an annual permanent appropriation of one-third of the customs receipts for the benefit of agriculture.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HOPE. Mr. Speaker, out of the \$109,000,000, which was made available last year under this appropriation, only \$18,000,000 has been spent. The remainder will eventually go back into the Treasury of the United States.

Mention has been made of the great variation in the interest rates on these Federal land-bank loans. I think something should be done in connection with that. We cannot remedy this general situation at this session of the Congress, but we ought to take the matter up at the next session and work out some permanent plan whereby all farmers will have a uniform rate. We can, however, relieve the existing situation by voting to pass this bill, notwithstanding the veto of the President.

I have the same high regard for the Governor of the Farm Credit Administration and the way in which he has administered the affairs of that organization as the distinguished chairman of our committee. I know that Governor Myers opposes this legislation; but, after all, it is up to the Congress to determine the policy of the Government in this regard. Governor Myers and his associates have carried out the policies that we have heretofore declared in a splendid way. They are entitled to a lot of credit. They will just as cheerfully and as willingly, I am sure, carry out the policy that we declare today, if we override the President's veto.

Mr. HILL of Washington. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Washington.

Mr. HILL of Washington. Under the conference report on the farm-tenancy bill, how much will those farmers pay in interest?

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Speaker, the chairman of the Committee on Agriculture called attention to the fact that the contract rates—that is, the rates to which these loans will recur if we do not override the veto—run all the way from 4 to 6½ percent. The testimony of Governor Myers showed that the average contract rate is 5.07 percent. That is the average of all of them. It so happens that the high rates cannot be reached except by this bill. These high rates were contracted back some years ago when the money market was up and the bonds from which the Federal land bank got the money to make the loans were selling at higher rates than now; consequently the interest rate had to be much higher. These rates went up to 6½ percent, with an average of 5.07 percent. The only way to give this relief is to pass the bill that we have under consideration at the present time.

Mr. Speaker, I agree with the philosophy back of the President's veto message. I think those of you who have done me the honor of watching my vote will agree that I have voted against huge appropriations about as consistently as any other Member of the House. However, I think there are circumstances that make this bill advisable at this time.

In 1934 and again in 1936 there were droughts over all this country. There were pestilences that ruined the farmers' crops. I call your attention also to the fact that during a long term of years, while other businesses and occupations were prospering very greatly, the farmers were on a steady decline from 1920 right straight through to 1933. My opinion is that the principal cause of their bad circumstance was due to laws passed by the Congress of the United States. So it is fitting that the Congress pass at this time a law giving the farmers special favor.

The President submitted an estimate that the cost of this measure for 2 years would be \$52,900,000. We should not spend that sum lightly. But may I direct your attention to the fact that Congress has authorized and appropriated funds for two battleships to cost more than \$61,000,000 each. Items of that kind, billion-dollar appropriations for the Army and Navy, such outlays must be attacked before Budget balancing and reduction of our huge public debt are to become realities.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. Hook].

Mr. HOOK. Mr. Speaker, it is not the easiest thing to be the only member of the committee to take one side of a question. I have listened with interest to the great leader of this House when he said that our farm income has practically doubled in the last few years. I have also listened to some Members on the floor of the House when they said, "I am not going to be with the President. I am going to be with the farmers. The farmers are with me but the President is not."

I say that the President of the United States has always been with the farmers and has given the farm population of this Nation the best administration it has ever encountered. I say to the Members who claim the farmers are with you but the President is not, that if you do not stay with the President the farmers will not stay with you.

The lowest rate of interest that is paid in any nation of the world is paid by the farmers here. I believe in a low rate of interest if it is at all possible, but I do not believe in too many outright gifts of \$50,000,000 or more at a time when we have an unbalanced Budget. I have heard men on this side of the House rise time after time asking, "Where are you going to get the money?"

We have a chance now to help the President of the United States carry out his program and balance the Budget. Do not give any more gifts of \$50,000,000 to \$100,000,000 in places

that it is not needed and help our President save this Nation from bankruptcy.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOOK. I yield.

Mr. RICH. May I refer the gentleman to the President's veto message, in which he states:

The whole question involves the rate of interest charged by Government agencies and relates not only to farm loans but also to moneys lent by the Home Owners' Loan Corporation, the Reconstruction Finance Corporation, the Public Works Administration, and other agencies.

If this veto is overridden and the bill is passed will the interest rates of all these other agencies be leveled to the rate carried in this bill?

Mr. HOOK. I do not happen to be able to control all the votes of the Congress, so I cannot tell the gentleman what the rates of these other agencies will be if this veto is overridden. Support Roosevelt and vote "no" on the question of overriding the President's veto.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. COFFEE of Nebraska. Mr. Speaker, I rise to urge the House to sustain the Committee on Agriculture and to override this veto.

I will say that our committee, whose chairman is one of the fairest men in the House, has given this measure a great deal of thoughtful consideration. Hearings were held, and the possibilities of loss to the Federal Treasury were fully considered.

The committee compromised on this vetoed measure, which extended the interest rate of 3½ percent on Federal land-bank loans for 1 year and provided a 4-percent rate for the second year, thus indicating the desire on the part of the committee to approach a self-sustaining rate on Federal land-bank loans.

It seems that if one of the departments brings up a bill which provides for large expenditures by the Federal Government, there is no objection; but if a committee of Congress authorizes an expenditure of a relatively small sum through a temporary reduction in interest for the benefit of distressed farmers, the department objects and the President vetoes the legislation.

In this case I think the President has been ill-advised. We are not unmindful of the splendid work the Farm Credit Administration has done; but there are certain sections of this country where, because of drought, grasshoppers, and other adverse conditions, some special form of relief is necessary.

So long as the W. P. A. can expend \$430,000,000 in New York City, with a sponsor's contribution of less than 1 percent, to relieve distress, I submit that the farmers of this country, who are not eligible for W. P. A. relief, are entitled to this temporary interest reduction as a relief measure.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for one question?

Mr. COFFEE of Nebraska. In just a moment. I favor balancing the Budget. But certainly saving the amount involved in this measure will not balance the Budget. The Budget should be balanced, but not at the expense of the farmers.

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I believe in lower rates of interest, and for this reason have been very happy as a member of the Committee on Agriculture and as a Member of the House to support this type of legislation, which reduces the rates of interest on farm loans.

During the past 2 years we have passed laws which have reduced the interest rate to 3½ percent on these farm loans. On each occasion the bill has passed both the House and the Senate, and has been signed by the President. All during this period of time, however, we have neglected to give consideration to the farmer borrowers who have been most distressed, the farmers who have been compelled to make

Commissioner's loans. We have not in the past 2 years given relief to the farmers whose economic situation was such they were forced to take Commissioner's loans at the higher rate of interest, 5 percent. This year is the first time we have attempted to give any relief to such farmers. I for one cannot understand why the bill should receive a Presidential veto, when for the first time we bring in a measure carrying relief for those who have secured Commissioner's loans. I sincerely hope the Members of the House will support the Committee on Agriculture, which has finally realized that the men and women living upon farms who are in the most distressed condition and are forced to get Commissioner's loans should have help. I hope you will support your committee in its efforts to get this necessary relief and reduce the interest rate from 5 percent to 4 percent for a 2-year period.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I am pleased to yield to my colleague the gentleman from Wisconsin.

Mr. SAUTHOFF. May I call the attention of the House to the fact that when you foreclose on a home owner in a city you take away from him his home, and he may still have his job, but if you foreclose on a farmer you take away not only his home but also his business, so that he is both homeless and jobless.

Mr. BOILEAU. The gentleman is absolutely correct. The farmers of this country have not yet reached the point where they are not in need of relief. This is not a great deal of relief, as it is estimated to cost somewhere around thirty or forty million dollars. If we can spend this money as set forth in the bill to give relief to the farmers of this country, it will do a tremendous amount of good, and, in addition, will have the wholesome effect of beginning to reduce interest rates all the way down the line. This country has been suffering from interest rates which have been too high. We have been paying too much for the use of capital. If we can by our action here add some stimulus to the movement to reduce interest rates all the way down the line, we shall be helping not only the farmers of this generation but the farmers and home owners of all succeeding generations. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Speaker, having great respect for the President, I do not like to see a veto overridden. I am extremely regretful that I feel it my duty to vote and to speak against this veto. I believe the President has been misinformed. The interest rate of 3½ percent for this year for the farmer and 4 percent next year on Government money is little enough reward for the people who have produced our foods at a loss in this country for so, so many years.

If the veto is sustained, it will compel payment of contract rates up to 6½ percent for Government money, which it borrows at 2½ percent. Farmers are in no position to be so penalized now.

I fear that the President's advisers have not given him the true picture of the situation. It is apparent to all informed people that 1 or 2 years of farm prosperity have not made it possible to pay off losses accumulated through many years of raising and selling crops for less than the cost of production. Certain interests are talking a great deal about farm prosperity and high prices. They forget the debt burden and that the farmer is obliged to renew his machinery and essentials at the current high prices. They also forget that the Government is lending money to utilities and others at a lower rate of interest than that granted farmers.

It is specially unfortunate to have such a veto at a time when farm-tenancy legislation is urged, providing Government money at 3 percent for inexperienced farmers bent on experimental farming. It would seem wise to avoid making more tenants by crowding farmers for an interest rate which they cannot afford to pay. The reasons offered by the Farm Credit Administration seem totally inadequate to those really concerned with this problem. The loss to the Treasury, which they stress, is caused because of the fact that their own

agency, under a previous administration, sold bonds which are not yet callable, at high rates of interest. Why should they require the farmers to pay for mistakes of a former political administration?

Another reason advanced by the Farm Credit Administration is even more obnoxious to farmers concerned. I refer to the oft-repeated statement that they fear cheap interest rates will bring about land speculation. Those who make this specious argument are pushing most vigorously for the type of farm-tenancy legislation which would undoubtedly result in tremendous land speculation and great loss to the Government. The reputed losses through the fair interest rates to farmers cannot begin to pay for the extravagant and wasteful expenditures of the Resettlement Administration in its experimental program.

Just why economy should begin on farmers established on their farms and struggling to meet debts and payments is not apparent to me. I have listened to all the arguments made before the Committee on Agriculture since March 1933. I have never heard one valid argument advanced for such unnecessary pressure on farm borrowers. I certainly hope that the President may have better advice on this matter. I do believe he sincerely desires to help farmers. The average American farmer would rather have fair business treatment than an experimental program purporting to come from an interest in his welfare. I have never known any real farmer to clamor for the type of farm legislation which is being thrust upon us from the cubicle offices in the center of Washington.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. JOHNSON of Oklahoma. Does not the gentleman feel the interest rate ought to be cut below 3½ percent instead of being increased?

Mr. PIERCE. Indeed it ought to be lower. It ought to be a permanent guaranty. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record in connection with the bill now under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. WEARIN].

Mr. WEARIN. Mr. Speaker, those of us who come from agricultural regions feel it is imperative that the interest rate on land-bank mortgages continue at 3½ percent for another year and likewise that a reduction be effected from 5 to 4 percent on commissioner's loans. We recognize the fact that the national income of American farmers has approximately doubled since 1932 but the unusually variable climatic conditions in this country have complicated the situation from the standpoint of the distribution of that income. I refer in particular to the fact that two droughts have left various farming areas of the United States almost destitute of cash crops. This is one of many reasons why the continuation of the present program for another year is necessary.

The suggestion has been made this afternoon that if the House sustains the veto we will be in a position to negotiate some kind of compromise with the Farm Credit Administration. Of course the fact of the matter is the Farm Credit Administration is not affected by this action because the Federal Government will pay the bill. I do not believe in the theory or principle of subsidies any more than many other people, but we have recently passed a tenancy bill in an effort to place more people on the land. It would be rather short-sighted for us to refuse to appropriate a sum of money to keep people on the land who are already there, which is precisely what this legislation proposes to do. As far as a future compromise and additional legislation is concerned, this, in my opinion, offers the best opportunity that

the Members of this House will have this session to go on record in favor of continuing the present rate of 3½-percent interest on land-bank mortgages and 4 percent on commissioner's loans.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. LUCKEY].

Mr. LUCKEY of Nebraska. Mr. Speaker, the Presidential veto of this bill extending reduced interest rates on farm loans for 1 additional year did not come as a complete surprise. In anticipation of such action a number of us tried to secure an appointment with the President. We believed that we could present the true facts about the farm conditions in a great part of this country in such a way as to cause him to sustain the action of the House and Senate. In pleading with you to override the President's veto I do not criticize the action of our President, but neither do I for 1 minute condone or agree with the views of the President's advisers who recommended this veto. Because we failed to secure an appointment with the President the only course now left open is to override his veto.

As a basis for the veto the President has stated that farmers are now able to pay the higher interest rates because of increased farm prices and because of increased farm income. That may be true in some parts of our agricultural areas, but it is certainly not true in the great region known as the Prairie States or the Great Plains area. The real facts are that in many regions farmers are worse off today than they were in 1933 when these interest rates were first established. I cannot get time enough to go into details so will only touch the high spots.

In my own State of Nebraska we have had three drought years. What good does it do a farmer who has lost his crops by drought, dust storms, or by grasshopper plagues if the price of corn or wheat is high? If you have no wheat, you cannot make money even if the price of wheat is \$10 per bushel, let alone when it is less than \$1.20 per bushel. You talk about farm prosperity, when this year there were more than fifteen hundred farms untilled because those who had farmed them in past years had exhausted every possible source of credit and could no longer carry on farming operations. You talk about farm prosperity, when the Farm Credit Administration is foreclosing on thousands and thousands of farms and when literally hundreds of thousands of tillers of the soil are being forced out of their homes and on public relief rolls.

The Presidential message states that the index price of farm commodities has risen from 55 in 1933 to 126 at the present time. That is true, but what of it? Is there any economist in this House who thinks that such a statement has any real meaning unless it is followed up with a comparison of the index prices of industrial products which the farmer must buy? The index of farm prices was far below the index of the prices that the farmer must pay for his industrial necessities in 1933 and it is still far behind. Certainly agricultural income has been increased, but that means nothing unless you compare that increase in income with the same figures for industry, capital, and labor. If you make such a comparison, you will find again that the farmer is still far behind.

Further along in his message the President states that if losses occur on these farm loans the Federal Government will have to sustain those losses. In plain and simple words that means that if there is a loss this reduction in interest rates will amount to a subsidy to the American farmer of \$30,000,000, more or less. Now, neither the President nor his arch adviser, Mr. Myers, of the Farm Credit Administration, can tell whether or not such losses will occur, let alone determine the extent of the losses. I am willing to assume that a loss of \$30,000,000 may accrue, and I ask you, What of it? Suppose we do subsidize millions of American farmers with \$30,000,000. Is that any worse than the subsidies we have made to those who have amassed great wealth and power in many lines of industrial endeavor?

Neither this Congress nor this administration has been squeamish about asking for subsidies. Right now we have

a request before us for an initial authorization of one hundred and fifty millions to subsidize the merchant marine, and it is expected that the entire subsidy to be carried out on that line will be more than a billion dollars. We have been and are subsidizing everything under the sun. The great newspapers and publishing houses get an annual subsidy of \$75,000,000. The air lines, the railroads, shipbuilders, ship-owners, ship operators, banks, and industries get subsidies. Is it any different to subsidize a great economic group than it is to subsidize a privileged few? The other day this body authorized an appropriation of \$50,000,000 to be spent in addition to the naval appropriation bill for new ships for the Navy. That request had the approval of the bureaus to which it had been referred. On this farm-interest bill one bureaucratic head of an independent agency has been able to go before his chief and say, "Stop this business." He has been able to raise the cry of subsidy and thus prevent the dispensing of equity and justice for which our Government has long been famous.

If you ladies and gentlemen think it is all right to extend subsidies to the privileged few who have great wealth and power but not to the millions of humble farmers, then vote to sustain this veto. If you believe this is a land of equality and justice, where even the humblest citizen of all the land has the same rights of protection and assistance extended by the Government to the powerful, then vote to override this veto.

For the last 10 days I have sat at my desk receiving daily weather and crop reports from the Great Plains States and from my district. A torrid sun is again creating havoc with our crops and green fields, upon which a renewed hope for prosperity has been dependent. Great hordes of grasshoppers are destroying crops before our very eyes. From the vast bread basket of our country, where millions of sturdy farmers have been fighting this terrific battle, comes the plea for equal treatment and justice. Regardless of whether you represent an urban or farming district, I ask your vote to override this veto and to bring about fair play for those who labor to produce the foodstuffs for this entire Nation. [Applause.]

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. HARRINGTON].

Mr. HARRINGTON. Mr. Speaker, the news just received of the President's veto of the bill extending the emergency interest rates on Federal farm mortgages comes as a hard blow to every Member of this body having the interests of the farmer at heart. For some time concern has been expressed by the farmers of my district over reports that a veto of this bill was in prospect. Numerous letters have been received calling attention to the inability of our farm borrowers to meet the higher interest rates, and I was hopeful that the President would take into consideration economic conditions in the drought area and concur in the congressional view that the resumption of normal rates should be postponed at least for another year. Since he has not so decided, I think that it becomes our duty to enact this legislation over the veto.

Although there may be justification on general grounds for the President's position in the matter, I desire to call attention to the fact that the farmers in the drought-devastated sections of our country are still battling for their existence. To these agricultural producers the current prices being paid for farm products means little or nothing, because they have had nothing to sell in 2 of the last 3 years. Thousands of them have already lost their farms, and thousands more will be unable to meet their interest obligations to the Government unless we act to continue the emergency rates in effect.

If I remember correctly, Governor Myers, of the Farm Credit Administration, has stated that the termination of the emergency rates will mean increase in Federal revenues of some \$40,000,000. That figure, however, has been disputed. But assuming that it is correct, \$40,000,000 is not even an approach to a balanced Budget, and if it were, I do not believe it is the intention or desire of this body to attempt to balance the Budget at the expense of the one group of taxpayers, particularly the farmers in the drought areas, least able to shoulder the burden.

In conclusion, I wish to say this: If Mr. Myers thinks he is going to squeeze another forty million out of the farmers through the defeat of this bill, he is very likely to be disappointed. Instead of collecting interest he is going to collect land. The raising of interest rates beyond the farmer's ability to pay can mean only one thing—foreclosure and surrender of the land. Thousands more of farmers turned off the land and forced into cities, there to go on relief, swell the ranks of the unemployed and furnish additional competition to city labor. In these thousands of cases, the defeat of this bill amounts to confiscation of the acres needed to produce the food to feed our Nation. Therefore, I plead with our colleagues from the urban districts and nonagricultural areas to join with us in reenacting the measure.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, when I received the news that the President had seen fit on yesterday to veto House bill No. 7562, which extends the present 3½-percent interest rates on Federal land-bank loans and the present 4-percent interest rate on land bank commissioner's loans, I was deeply grieved. I cannot but feel that the President was uninformed as to the full implications of this action. I am sure that he would not purposely or knowingly insist on the literal enforcement of contracts entered into under the duress of 10 to 15 years of agricultural depression and oppression which must necessarily result in the loss of the homes of thousands and tens of thousands of American farmers. And yet this is the inevitable result of the veto of this legislation unless this House and the other body do not rise up and by a two-thirds vote of each body commit this Government to a policy of help and consideration for the farmer who has undertaken the payment of a farm home.

The National Grange reports that, according to a study made by the Bureau of Agricultural Economics, from 1933 to 1936, both inclusive, an average of 27 farmers out of every 1,000 lost their farms through mortgage foreclosure, tax delinquency, or bankruptcy each year. The aggregate number of farms lost to their owners during the 4 years indicated was 108 out of every 1,000. Since the total number of farms in the United States is now placed at 6,812,000, it will be seen that during the past 4 years more than 735,000 farmers, or more than one-tenth of the total home owners of the United States, lost title to their farms and have presumably become tenants.

At the same time we are now engaged in an effort to eradicate, or at least reduce, tenancy, and a bill on this subject cut down to one-tenth of the original appropriation to meet the President's wishes has passed both Houses. Since the total number of farm tenants is approximately 2,800,000, to provide each one of them with a farm costing an average of \$4,000 each would call for the lending of more than \$11,000,000,000. As that is beyond the range of possibility under prevailing conditions, there is only one thing we can do to relieve the situation, and that is to prevent those who are now owners from slipping into the tenant class. That is the purpose of the bill just vetoed by the President.

The Government is now borrowing money at an average rate of about 2½ percent, and the land banks are making new loans at 4 percent. Under these circumstances what possible reason can there be for compelling those who borrowed from the land bank back in the black days of the early thirties to pay 5-, 6-, and even 6½-percent interest, as most of the existing contracts call for? As long as the Government can borrow at 2½ percent it is not giving the farmers a subsidy when it loans the money at 3½ and 4 percent. On the other hand, if the reduced interest rate is not continued, the Government will be in the position of demanding a pound of flesh from the very people we must help if this Nation is to prosper.

Today the Government can help to maintain home owners as such for a fraction of the cost that will be involved in rehabilitating these same people if a short-sighted policy of getting all the contract calls for is allowed to control our action. For one I shall vote to override the veto. Mr. Speaker, I feel that if this House does not today sustain the Committee on Agriculture in overriding this veto, we will

be in the position of saying in one breath we are willing to appropriate from \$50,000,000 to \$100,000,000 per year to make home owners out of tenants, and at the same time we are unwilling to maintain the home owners we now have by the expenditure of a small portion of that amount.

As soon as we act on this measure we are to consider the conference report on the tenant home-ownership bill, which carries an authorization of from twenty to seventy million dollars per year, plus in every case such amounts as the President may see fit to add, for the purpose of aiding farmers who are now tenants to become home owners. This aid is to be a permanent yearly expense, whereas should the President be correct in his assumption that it will cost the Government \$51,000,000 to borrow money at 2½ percent and loan it to farmers at 3½ to 4 percent, this will be the total expense. It will not be repeated each year. It is admitted that the land bank can now loan money at 4 percent and suffer no loss, because it is doing this very thing every day. Under the terms of this bill the interest rate next year will level off at 4 percent. Is it not then advisable that we keep this interest rate down and keep these borrowers in the home-owning class while we can do it with a minimum expenditure, rather than to let them drop into tenancy and then try to start them from the bottom again?

And what of the buying power of the farmer? If we take it away in the form of increased interest rates that the Government-operated loan agencies might be able to show a profit, how will the farmer buy the products of the mill and factory? Even though farm prices are increasing, it will add nothing to farm purchasing power unless we leave some of the increase in the hands of the farmer.

And one thing more, Mr. Speaker, if this bill is not passed, the old contract interest rates will be reestablished, and the average of these Federal land-bank contract interest rates is today higher than the interest rate the Federal loaning agencies charge on city property, although every investment man knows that farm mortgages are the best investment that can be had. And there is what I consider to be another very good reason for extending an even lower rate to farm borrowers. When you foreclose on the owner of a city home, you lose a home owner, it is true; but you do not ordinarily take from the citizen his means of making a living. You do not thereby place him on relief to add to the Government's burden, but when you seek to double the Government's money at the expense of some hapless farmer and as a result sell his home at foreclosure, you have not only taken away his home; you have also taken his means of making a living, and have with poetic justice added to the relief burdens of the Government. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I do not see how anyone in the face of the facts can justify a vote in support of the President's veto of the bill which continues the present 3½-percent interest rate on Federal farm loans. There is now before the House a conference report accompanying H. R. 7562 and which will undoubtedly be voted upon today. This is a conference report on the farm-tenancy bill, which would loan 100 percent of the value of the farm to tenant farmers to purchase farms with at 3 percent interest. If this bill is carried out to its fullest extent, it will mean that \$11,000,000,000 will be loaned to tenant-farmers of America at 3 percent interest to provide money with which to purchase farms. I am informed that this is an administration measure and that it has the full support of the President. How can the President veto a bill, which veto, if sustained, would compel the farmers to pay the old interest rate and which would discontinue the present interest rate of 3½ percent on farm loans and at the same time support the Bankhead-Jones Farm Tenant Act, which would ultimately loan to the tenant farmers \$11,000,000,000 at 3-percent interest? To be consistent, the President would, of course, have to veto the Bankhead-Jones Farm Tenant Act, which is his own administration measure.

I do not want to be misunderstood. I believe the farm-tenant problem is a real problem in America and ought to be solved, but I am simply pointing out the inconsistency of the policy of the President in supporting a bill that will give one class of farmers loans at 3 percent and at the same time vetoing a bill which would give another class of farmers 3½-percent interest on his Federal farm loan. Under the Farm Tenancy Act he is trying to make farm owners out of tenants. In vetoing this interest measure he would be making tenants out of farm owners.

Mr. Speaker, the majority leader in his remarks made a statement that if we continued a 3½-percent interest rate on farm loans, what argument would we have against the reduction of the interest rate on Home Owners' Loan mortgages. The President advanced a similar argument in support of his veto.

On August 17, 1935, and during the first session of the Seventy-fourth Congress (p. 13577) I introduced a bill to reduce the interest rate on home owners' loans from 5 percent to 3½ percent. At that time I made the following statement on the floor of the House:

According to a statement furnished me by the Home Owners' Loan Corporation, giving the latest available figures, \$2,665,061,750 has so far been borrowed on bonds and loaned to home owners. The rate of interest paid on these bonds varies from 1½ percent to 3 percent per annum, averaging a little more than 2½ percent. The rate charged home owners on mortgages is 5 percent. The Government is charging annually on the above mortgages \$133,244,817 in interest and paying out on these bonds \$70,511,765 annually. In other words, the Government is charging the home owners each year approximately \$63,000,000 more in interest than they are paying out on the bonds.

I also placed in the RECORD a table showing the amount, the serial number, the date of issue, and the interest rate on each home owner's loan bond issued up to June 1, 1935. This verifies the statement I made that the average interest rate paid by the Government was approximately 2½ percent. In view of the fact that the Government is paying 2½ percent and making the home owner pay 5 percent, what justification can the administration have for failing to reduce the interest rate to at least 3½ percent? Why should the home owner pay double the interest rate on the mortgage that the Government is paying on the bonds?

For reasons I have stated, I favor a continued 3½-percent interest rate on Federal farm loans.

Mr. JONES. Mr. Speaker, I yield one-half minute to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Speaker, a great deal has been said about the Budget. I am more concerned about putting good food into people's bellies in the United States than I am concerned about that mythical thing called the Budget. [Laughter and applause.] It is my intention to always support legislation which will be a benefit to the farmers and the laboring people of our country, regardless of political consequences.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mrs. JENCKES].

Mrs. JENCKES of Indiana. Mr. Speaker, I want to bring the thought to the Members of the House that the farmer has had many years in which to suffer losses; he has had 1 or 2 years, due to the legislation we have passed, in which to retrieve some of those losses. He has not yet replenished his equipment and supplies, and what he has now, if paid in interest, will be lost to the manufacturers of the country. What the farmer saves today in interest will not be stored or hoarded but will be spread all over the Nation and will give employment to those in the cities who manufacture the things that the farmer uses. [Applause.]

Mr. JONES. Mr. Speaker, I yield now to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Speaker, I shall vote with the Committee on Agriculture to pass the pending bill for retaining the emergency rate of interest charged by the Federal land banks of 3½ percent for a period of 1 year, notwithstanding the veto of the President of the United States.

The bill also provides that beginning 1 year hence the rate will be increased to 4 percent. This on the theory, I assume, that farm conditions will have improved to the extent that farmers will be able to pay an increased interest rate.

As I suggested a few minutes ago, when the distinguished gentleman from Oregon [Mr. PIERCE] was speaking, it occurs to me that, taking into consideration that the Government borrows money for less than 1 percent, it could well afford to lend to farmers at a rate less than $3\frac{1}{2}$ percent; and, if I had my way about it, the rate would not be stepped up to 4 percent a year hence or any other time.

The charge is made, of course, that this is a subsidy to farmers. To charge this is to admit the expense of administering the farm credit set-up is exorbitant. For surely there is no legitimate reason for charging the farmers in excess of $3\frac{1}{2}$ percent and at the same time to lend hundreds of millions of dollars to the shipbuilders at a rate of less than 1 percent.

Mr. Speaker, when legislation was pending here to subsidize shipbuilders to the tune of hundreds of millions of dollars, we had no suggestion from the White House or any department of Government about economy or balancing the Federal Budget. Personally, I want to see the Federal Budget balanced at the earliest possible date, but I am unwilling to do so at the expense of the tax-burdened, drought-burdened, and interest-burdened farmers of the land. [Applause.]

May I remind this House once more that only a few weeks ago this body voted for a couple of \$60,000,000 battleships and that no suggestion came from the other end of Pennsylvania Avenue or any department of Government that this would unbalance the Budget. The statement was made a few minutes ago that in the last 20 years Congress has voted more than \$4,000,000,000 in subsidies for the shipbuilders of the country, and the rumor is afloat that before this Congress adjourns we shall be called upon for additional subsidies for the shipping interests.

I submit, Mr. Speaker, and Members of the House, that if this Congress passes this and other needed farm legislation to assist the farmers to balance their own budgets, that such legislation will do more to aid in the peace, prosperity, and contentment of the people of America than all the battleships and implements of war for which the tax-burdened farmers of the country must help pay for generations to come. [Applause.]

Mr. Speaker, a few weeks ago this House overrode the President's veto on another bill by an overwhelming majority, and I feel confident that it will do so again today by a majority of from 2 to 1 to possibly 3 or 4 to 1. In my remarks advocating the overriding of the President's veto on the previous bill I did not apologize for refusing to support the President. I said at that time that I yield to no one in my respect to and admiration for the President; I was glad to support the President when I believe him to be right, but that I did not hesitate to oppose him when I was convinced that he was wrong. I said then that I thought the Chief Executive, relying upon poor advice, was wrong, and I speak deliberately when I reiterate the same feeling with reference to this bill.

In defense of his veto the President points out that if this measure is allowed to stand as passed by this House it will cost the Government some \$52,000,000. But that estimate, of course, is on the theory that in case this bill is not passed the farmers will be forced to pay the old interest rates of from 4 to $6\frac{1}{2}$ percent, as the gentleman from Texas, the distinguished chairman of the Committee on Agriculture [Mr. JONES], very well pointed out. Of course, no one in this House believes that Congress would for a moment think of going back to such an exorbitant former interest rate and no one contends that under any circumstances should the rate be in excess of 4 percent. At that rate the cost of this bill would be not to exceed \$10,000,000 per year.

In the President's message he also pointed out that the ability of the farmers to pay has increased more than 100 percent, caused by the rise in the level of farm prices since 1932 and 1933. It is true that farm prices have improved materially, and had it not been for the unprecedented drought in Oklahoma and several other Middle Western and far Western States in 1936 the condition of the farmers would have been decidedly improved. But, as pointed out a few moments ago by the gentleman from Kansas [Mr. HOPE],

the rise in farm prices has been of little benefit to farmers who have nothing to sell. In Oklahoma the wheat, oat, cotton, and other crops were practically a complete failure in 1936. In some counties of Oklahoma the cotton crop was cut to one-tenth of the normal yield, so it is needless for me to argue or explain the dire need in which the farmers of my State and surrounding States have found themselves, nor is it necessary for me to remind this House that the farmers are not out of the woods financially. Therefore, I submit, Mr. Speaker, that the least we can do is to extend this bill for another 2 years and thus in a small way aid in giving the farmers of America a fighting chance to help themselves. [Applause.]

Mr. JONES. Mr. Speaker, I yield now to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I feel that the President is inconsistent and not justified in his veto of H. R. 6763. The bill before us provides for a further temporary extension of an interest rate of $3\frac{1}{2}$ percent until June 30, 1938, and 4 percent until June 30, 1939, on Federal land-bank loans and for a 4-percent rate on land bank commissioner loans until June 30, 1939. The extension heretofore granted by Congress has already expired. Unless Congress will override the President's veto by a two-thirds majority and pass this bill, the farmers who have loans with the Federal land bank will be required to pay, instead of $3\frac{1}{2}$ percent interest, all the way from 4 percent to 6 percent interest. As a matter of fact, more than half of the Federal land-bank loans would bear interest at 5 percent, and a considerable amount of these loans would bear 6 percent interest. The Federal land bank commissioner loans would bear interest at 5 percent, instead of 4 percent, as provided by this bill. And let us remember that the total amount of Federal land-bank loans at the present time amount to \$2,063,558,000, and the land bank commissioner loans amount to \$831,704,000, making a total of \$2,895,262,000.

I want to again call your particular attention to the President's letter, directed to the chairman of the Committee on Agriculture of the House and to certain Members of the Senate, wherein he opposed maintaining the lower interest rates on farm loans. In his letter he made the statement that he "was disturbed by the provisions of the bill" and believed that the Members of Congress should be advised as to the situation that would be created by the passage of that measure. A little later I will call your attention to a situation that might be created if we do not pass this measure. He said in that letter, also, that any reduction in the rates of interest that were formerly provided by the Federal land bank and the land bank commissioner loans would create a gift to the farmer from the Federal Treasury, and that he was opposed to a grant or gift by further legalizing a low rate of interest on farm loans. The reduction of interest rates under this bill, as you know, is temporary.

In his message to Congress today, the President states that if we maintain the lower rate of interest, even though it be temporary, it will create a deficit in the United States Treasury at the end of the fiscal year 1938 in the sum of \$30,000,000, and that during the 2-year period, he further says, it will probably amount to as much as \$52,000,000.

I would like to give due credit to the administration for having given the problem of balancing the Budget the consideration to which it is entitled. I am in favor of balancing the Budget, just as soon as it can possibly be done. I do not want, if it is possible to prevent it, to create any further deficits in the United States Treasury. On June 28 I called your attention to some figures that should prove to your satisfaction that no deficit should be created in the United States Treasury by reason of the extension of the present rate of interest by the Federal land bank, or the Federal Land Bank Commissioner, as provided by the terms of this measure. I do not believe it would cause a raid on the United States Treasury by the farmers of this country in any sense of the word.

But let me suggest that even if the passage of this bill should result in the creation of a small subsidy on the part of the Treasury, the administration and the President are inconsistent in opposing it. Just recently a subsidy of more

than \$50,000,000 was granted to the shipping interests of this country. The President did not question that expenditure in the least. As a matter of fact, during the past 6 months this Congress has granted subsidies to many other groups and municipalities who have sought them. I do not believe the allowance of one subsidy should be an excuse for the granting of another, but am simply calling your attention to the fact that the administration has appeared to single out one particular group and, by one stroke of the pen, has said that he was not willing to grant them further relief in this respect.

The administration was not disturbed at an expenditure of approximately a billion dollars to the Army and the Navy, and has not been disturbed when this Congress has exceeded the Budget estimates, and the estimates of the Appropriations Committee, in other instances, by millions of dollars.

I called your attention recently to an expenditure of some \$7,000,000 for a tract of timber land in California that is to be added to a national park 15 miles away. Over in St. Louis the Government has spent several million dollars for what is known as a Jefferson Memorial. A great part of which money we are advised is to pay for real estate at fabulous prices. This House agreed just a few weeks ago to spend \$5,000,000 to extend a national highway through the State of North Carolina, and two or three other Southern States. In this last instance there was no matching of funds by the States through which the highway passes, as has always been the policy in the building of public highways.

There are instances too numerous to mention here, where the administration has approved the granting of subsidies. I call your attention to these items to show that in these cases, anyway, the administration does not seem to be disturbed about the expenditure of funds and the granting of subsidies beyond the liberal estimates of the Appropriations Committee of the House. Think back, for a minute, to the millions of dollars in appropriations and subsidies that have been granted for the building of river dams, and the construction of power projects.

During the past 4 years, according to statistics that have been furnished us by the Department of Agriculture, we find that 27 out of every 1,000 farm owners in this country lost their farms because they were not able to pay their interest and their taxes. With few exceptions, this condition came about by circumstances over which these farm owners had no control. Thousands of farmers in the last 4 years have lost their homes. They have either become tenant farmers or, in many cases, have gone on the relief rolls. We have here a serious question. I call your attention to these figures to show you that the farmer's condition is far from being solved. As a matter of fact, he is going to need further assistance, for awhile at least, if he is expected to live on his own farm.

The President, in his message, has given us some figures to indicate that conditions on the farm are so much better than they were in the pre-war period. According to figures that I have gathered from the Department of Agriculture, I find that the farmer's price level for the sale of his products at this time is 124 percent of the pre-war days. But we also find that the cost of the things he buys is 133 percent of the pre-war period. So the farmer's dollar today is worth approximately 93 percent of what it was worth during the pre-war period.

Today, in his message, the President has quoted figures showing the gross farm income for 1936 amounted to \$9,530,000,000. I call your attention to the farmers' net income for the year 1936 which, according to figures from the Department of Agriculture, was \$7,200,000,000. Then I want to compare this figure with the average net income of the farmers during the 10-year period from 1920 to 1930. That yearly average was a little more than \$10,000,000,000. So in making a fair comparison of the farmers' net income, we find that such net income this last year is \$2,800,000,000 less than the average net income during the 10-year period just mentioned; and the fact remains that during that period the farmers, generally speaking, were hardly able to show a profit.

Mr. Speaker, we have a serious problem. We are considering a most important piece of legislation. There are 639,800

Federal land bank and land-bank commissioner borrowers in the United States. I am informed that this constitutes about 37 percent of all the farm loans in this country. Approximately 70 percent of these borrowers had paid their interest at the end of the year 1936. According to the Federal land-bank figures, there were 95,300 farmers who were unable to take care of their interest payments even at the reduced interest rates and the taxes which had become due at the end of the year. This delinquency came about by reason of crop failures and adverse conditions. These farmers could not meet their obligations. These 95,300 farmers alone represent an investment of \$429,000,000. This number would have been much greater had it not been for the temporary reduction of the interest rate heretofore granted by this Congress.

We are dealing with a stupendous problem this afternoon, a problem that involves an investment of two and one-half billion dollars, but, more important, involves, I think, the fate of thousands of farm owners who may not be able to retain possession of their farms if at this crucial moment we see fit to increase an interest charge against them, which they may not be able to pay. If we expect to save the farms for the farmers, the very least thing we can do is to maintain at least temporarily the present rate of interest on Federal land bank as well as land-bank commissioner loans, as provided under this bill.

We have spent a lot of time during this session discussing the question of keeping people from the relief rolls. We have talked about the farmers who are on relief rolls. We find that between 35,000 and 40,000 farmers, on an average, are losing their farms each year. If we want to keep people off the relief rolls and want to help solve the farm problem today, then we ought to pass this bill over the President's veto. Here is a chance to assist materially 685,000 farm owners, and we can do it, in my opinion, without expense to the Federal Government.

A great deal has been said about a low rate of interest granted to the farmers by the Federal loan agencies during the present emergency. I grant you that it is a comparatively low rate, but not as compared with the rates granted to railroad companies and corporations, as well as municipalities, that have been assisted by the use of Government funds. Furthermore, when more than half of these farm loans were made, and the interest charges were 5 percent and 6 percent, the bonds that provided the funds bore interest at 4 percent and 5 percent. These bonds have nearly all been refinanced at 3-percent interest. As a matter of fact, the average interest rate on all Federal loan bonds is only 3.4 percent. Furthermore, the farmer, when he made his loan, paid for stock in the Federal land bank in an amount equivalent to 5 percent of the amount of his loan. In other words, the farmers have invested \$100,000,000 of their own money to help guarantee the payment of the Federal land-bank loans. And the farmer, when he makes his loan, pays the secretary of the local organization a fee on the percentage basis on his loan for services rendered in securing the loan for him.

If you will examine the statements of the Federal land banks for 1936 and the first quarter of 1937, you will find they show a net profit of approximately \$22,000,000 above a sufficient reserve that has been set aside to protect the banks against losses on account of shrinkage, judgments, foreclosures, real estate owned, and so forth. I believe that with the profits already accumulated, as shown by the Federal land bank statements, and the profits that should accrue during the next year, together with the savings that can be made by a more careful and economical management on part of those in charge of Federal farm loan organizations, there should be more than sufficient funds to take care of this temporary reduction in interest rates.

Many people have a mistaken idea that money borrowed from the Federal land bank is Government money. The Federal land bank is an agency that makes the loans and sells bonds on the market against these loans. One thing more, to show that the interest rate on the bonds above mentioned is reasonable and fair, I call your attention to

the fact that the United States Treasury at this time is able to borrow money at the rate of 2½-percent interest.

If the farmers of this country can raise a good crop this year, and have a fair price for it, the delinquencies in the payment of interest and taxes will be at a minimum in a year from now.

Mr. Speaker, this is not a political question in any sense of the word. It is not sectional or class legislation. It is a question that rises above politics. It is one that directly or indirectly affects a vast portion of the substantial citizens of our country. It is a question that affects their standards of living. Let us not forget that the progress of this Nation is pretty closely associated with whatever degree of prosperity may be attained by the farmers of our country. If we are serious in our efforts to help the farmer to help himself, here is our chance to do it. We have an opportunity to assist a large number of representative persons who are engaged in the great business of agriculture in this country. The thousands of farmers who will be affected by this bill are not asking for alms in any sense of the word. All they are asking for is an even break. Let me plead with you again that you vote to override the President's veto on this bill and give the farmer a chance to help himself.

Mr. JONES. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Speaker, it seems to me that 3½-percent interest for 1 year at an approximate expenditure of \$30,000,000, affecting those farmers, not who have received the double increase reflected in the Nation's produce but the low end, will give an opportunity to them to pay out and save them from relief so that they may remain land-owners; and that is far more consistent than the reasons assigned in the President's message which vetoed this bill. There will be more American citizens kept off of relief than three times this amount of money will provide for by direct relief, to say nothing of their morale being sustained.

Mr. JONES. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill H. R. 6763, the objection of the President to the contrary notwithstanding? The Clerk will call the roll.

The question was taken; and there were—yeas 260, nays 98, not voting 73, as follows:

(Roll No. 107)

YEAS—260

Aleshire	Coffee, Nebr.	Fletcher	Jarrett
Allen, Ill.	Coffee, Wash.	Ford, Miss.	Jenckes, Ind.
Allen, Ia.	Cole, N. Y.	Fries, Ill.	Jenkins, Ohio
Allen, Pa.	Collins	Fuller	Jenks, N. H.
Anderson, Mo.	Colmer	Gambrill	Johnson, Luther A.
Andresen, Minn.	Cooley	Garrett	Johnson, Lyndon
Arends	Cooper	Gearhart	Johnson, Okla.
Arnold	Costello	Gehrmann	Johnson, W. Va.
Ashbrook	Cox	Gildea	Jones
Atkinson	Cravens	Goldsborough	Keller
Barden	Crawford	Gray, Ind.	Kerr
Beil	Crowe	Green	Kinzer
Bernard	Crowther	Greenwood	Kirwan
Biermann	Cummings	Greever	Kitchens
Bigelow	Deen	Gregory	Kleberg
Binderup	Dempsey	Griffith	Kniffin
Bland	DeRouen	Griswold	Knutson
Boehne	Dies	Guyer	Kopplemann
Boileau	Dirksen	Gwynne	Kvale
Boren	Disney	Haines	Lambertson
Boyer	Ditter	Halleck	Lanham
Brewster	Dixon	Hamilton	Lanzetta
Brooks	Dondero	Hancock, N. Y.	Lea
Brown	Doughton	Hancock, N. C.	Leavy
Buck	Dowell	Harrington	Lenke
Buckler, Minn.	Doxey	Harter	Long
Burch	Drewry, Va.	Hendricks	Lord
Burdick	Driver	Hildebrandt	Luckey, Nebr.
Cannon, Mo.	Duncan	Hill, Okla.	McClellan
Carlson	Dunn	Hill, Wash.	McFarlane
Carter	Eckert	Hobbs	McGehee
Cartwright	Elcher	Hoffman	McGrath
Case, S. Dak.	Elliott	Holmes	McGroarty
Champion	Engel	Honeyman	McLaughlin
Chapman	Englebright	Hope	McReynolds
Church	Farley	Houston	Mahon, S. C.
Clark, Idaho	Ferguson	Hull	Mahon, Tex.
Clark, N. C.	Fish	Hunter	Mansfield
Clason	Fitzgerald	Imhoff	Mapes
Claypool	Flannagan	Isac	Martin, Colo.
Cluett	Fieger	Jarman	Martin, Mass.

Mason	Pearson	Sauthoff	Thompson, Ill.
Massingale	Peterson, Fla.	Schaefer, Ill.	Thurston
Maverick	Peterson, Ga.	Schneider, Wis.	Transue
Meeks	Pettengill	Schulte	Treadway
Michener	Pierce	Shafer, Mich.	Turner
Miller	Plumley	Shannon	Vincent, B. M.
Mills	Poage	Sheppard	Vinson, Fred M.
Mitchell, Tenn.	Powers	Short	Voorhis
Moser, Pa.	Randolph	Smith, Maine	Wallgren
Mosier, Ohio	Rankin	Smith, Va.	Warren
Murdock, Ariz.	Reece, Tenn.	Smith, Wash.	Wearin
Nelson	Reed, Ill.	Snell	Weaver
Nichols	Reed, N. Y.	Snyder, Pa.	Welch
O'Connell, Mont.	Rees, Kans.	South	West
O'Connor, Mont.	Reilly	Sparkman	Whitcheal
O'Malley	Richards	Spence	Whittington
Oliver	Rigney	Starnes	Wilcox
Owen	Robertson	Steagall	Williams
Pace	Robinson, Utah	Stefan	Withrow
Parsons	Robson, Ky.	Taylor, S. C.	Wolfenden
Patman	Rogers, Okla.	Terry	Wolverton
Patrick	Romjue	Thomas, N. J.	Wood
Patterson	Rutherford	Thomas, Tex.	Woodruff
Patton	Sanders	Thomason, Tex.	Zimmerman

NAYS—98

Andrews	Faddis	Lucas	Pfeifer
Barry	Fitzpatrick	Luce	Polk
Beam	Forand	Ludlow	Quinn
Belter	Ford, Calif.	McAndrews	Rabaut
Bloom	Frey, Pa.	McCormack	Ramsay
Boland, Pa.	Harlan	McGranery	Ramspeck
Boylan, N. Y.	Havener	McKeough	Rayburn
Bradley	Healey	McLean	Rich
Bulwinkle	Higgins	Magnuson	Rogers, Mass.
Byrne	Hook	Maloney	Sabath
Chandler	Kee	May	Sacks
Citron	Kelly, Ill.	Mead	Seger
Cochran	Kelly, N. Y.	Merritt	Shanley
Colden	Kennedy, Md.	Mitchell, Ill.	Smith, Conn.
Cole, Md.	Kennedy, N. Y.	Norton	Summers, Tex.
Cullen	Kenney	O'Brien, Ill.	Swope
Curley	Keogh	O'Brien, Mich.	Tarver
Daly	Kocialkowski	O'Connell, R. I.	Thom
Delaney	Kramer	O'Connor, N. Y.	Tinkham
Dickstein	Lambeth	O'Day	Tolan
Dingell	Lamneck	O'Leary	Towey
Dockweiler	Larrabee	O'Neal, Ky.	Walter
Dorsey	Lesinski	O'Neill, N. J.	Woodrum
Eberharter	Lewis, Colo.	O'Toole	
Evans	Lewis, Md.	Palmisano	

NOT VOTING—73

Allen, Del.	Ellenbogen	McSweeney	Sullivan
Amle	Fernandez	Maas	Sutphin
Bacon	Flannery	Millard	Sweeney
Bates	Fulmer	Mott	Taber
Boykin	Gasque	Mouton	Taylor, Colo.
Buckley, N. Y.	Gavagan	Murdock, Utah	Taylor, Tenn.
Caldwell	Gifford	Peyser	Teigan
Cannon, Wis.	Gilchrist	Phillips	Tobey
Casey, Mass.	Gingery	Ryan	Umstead
Celler	Gray, Pa.	Sadowski	Vinson, Ga.
Creal	Hart	Schuetz	Wadsworth
Crosby	Hartley	Scott	Wene
Crosser	Hennings	Scrugham	White, Idaho
Culkin	Hill, Ala.	Secrest	White, Ohio
DeMuth	Jacobsen	Simpson	Wigglesworth
Douglas	Johnson, Minn.	Sirovich	Wolcott
Drew, Pa.	Kloeb	Smith, W. Va.	
Eaton	Luecke, Mich.	Somers, N. Y.	
Edmiston	McMillan	Stack	

Mr. Wood changed his vote from "no" to "aye."

Mr. KELLY of Illinois changed his vote from "aye" to "no."

So (two-thirds having voted in favor thereof) the bill was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. Vinson of Georgia and Mr. Mott (for) with Mr. Sullivan (against).

Mr. Douglas and Mr. Culkin (for) with Mr. Gavagan (against).

Mr. Gifford and Mr. Caldwell (for) with Mr. Peyser (against).

Mr. Tobey and Mr. Wigglesworth (for) with Mr. Buckley of New York (against).

Mr. Taylor of Tennessee and Mr. Eaton (for) with Mr. Sirovich (against).

Mr. Bates and Mr. Maas (for) with Mr. Somers of New York (against).

Mr. Amle and Mr. White of Ohio (for) with Mr. Celler (against).

Mr. Johnson of Minnesota and Mr. Gilchrist (for) with Mr. Schuetz (against).

General pairs:

Mr. Boykin with Mr. Taber.

Mr. McMillan with Mr. Walcott.

Mr. Hill of Alabama with Mr. Bacon.

Mr. Gasque with Mr. Wadsworth.

Mr. Crosser with Mr. Simpson.

Mr. Taylor of Colorado with Mr. Hartley.

Mr. Umstead with Mr. Millard.

Mr. Sutphin with Mr. Teigan.

Mr. Drew of Pennsylvania with Mr. Scrugham.

Mr. Luecke of Michigan with Mr. Secrest.
 Mr. Fernandez with Mr. Gray of Pennsylvania.
 Mr. Mouton with Mr. Wene.
 Mr. Phillips with Mr. Jacobsen.
 Mr. Allen of Delaware with Mr. Ryan.
 Mr. Edmiston with Mr. Sweeney.
 Mr. Hennings with Mr. DeMuth.
 Mr. Murdock of Utah with Mr. Casey.
 Mr. Smith of West Virginia with Mr. Flannery.
 Mr. Gingery with Mr. White of Idaho.
 Mr. McSweeney with Mr. Creal.
 Mr. Sadowski with Mr. Crosby.
 Mr. Fulmer with Mr. Stack.
 Mr. Scott with Mr. Hart.
 Mr. Cannon of Wisconsin with Mr. Ellenbogen.

GOLDEN GATE INTERNATIONAL EXPOSITION

The SPEAKER. Pursuant to provisions of Public Resolution 52, Seventy-fifth Congress, the Chair appoints as members of the United States Golden Gate International Exposition the following Members of the House of Representatives: Mr. LEA, Mr. HAVENNER, and Mr. WELCH.

BANKHEAD-JONES FARM TENANT ACT

Mr. JONES. Mr. Speaker, I call up the conference report upon the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Texas calls up the conference report upon the bill H. R. 7562 and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as 'The Bankhead-Jones Farm Tenant Act'.

"TITLE I—FARM-TENANT PROVISIONS

"POWER OF SECRETARY

"SECTION 1. (a) The Secretary of Agriculture (hereinafter referred to as the 'Secretary') is authorized to make loans in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico to persons eligible to receive the benefits of this title to enable such persons to acquire farms.

"(b) Only farm tenants, farm laborers, sharecroppers, and other individuals who obtain, or who recently obtained, the major portion of their income from farming operations shall be eligible to receive the benefits of this title. In making available the benefits of this title, the Secretary shall give preference to persons who are married, or who have dependent families, or, wherever practicable, to persons who are able to make an initial down payment, or who are owners of livestock and farm implements necessary successfully to carry on farming operations. No person shall be eligible who is not a citizen of the United States.

"(c) No loan shall be made for the acquisition of any farm unless it is of such size as the Secretary determines to be sufficient to constitute an efficient farm-management unit and to enable a diligent farm family to carry on successful farming of a type which the Secretary deems can be successfully carried on in the locality in which the farm is situated.

"COUNTY COMMITTEE AND LOANS

"SEC. 2. (a) The County Committee established under section 42 shall—

"(1) Examine applications (filed with the county agent in the county, or with such other person as the Secretary may designate) of persons desiring to finance the acquisition of farms in the county by means of a loan from the Secretary under this title.

"(2) Examine and appraise farms in the county with respect to which an application for a loan is made.

"(b) If the committee finds that an applicant is eligible to receive the benefits of this title, that by reason of his character, ability, and experience he is likely successfully to carry out undertakings required of him under a loan which may be made under this title, and that the farm with respect to which the applica-

tion is made is of such character that there is a reasonable likelihood that the making of a loan with respect thereto will carry out the purposes of this title, it shall so certify to the Secretary. The committee shall also certify to the Secretary the amount which the committee finds is the reasonable value of the farm.

"(c) No certification under this section shall be made with respect to any farm in which any member of the committee or any person related to such member within the third degree of consanguinity or affinity has any property interest, direct or indirect, or in which they or either of them have had such interest within one year prior to the date of certification.

"(d) No loan shall be made to any person or with respect to any farm unless certification as required under this section has been made with respect to such person and such farm by the committee.

"TERMS OF LOANS

"SEC. 3. (a) Loans made under this title shall be in such amount (not in excess of the amount certified by the County Committee to be the value of the farm) as may be necessary to enable the borrower to acquire the farm and for necessary repairs and improvements thereon, and shall be secured by a first mortgage or deed of trust on the farm.

"(b) The instruments under which the loan is made and security given therefor shall—

"(1) Provide for the repayment of the loan within an agreed period of not more than forty years from the making of the loan.

"(2) Provide for the payment of interest on the unpaid balance of the loan at the rate of 3 per centum per annum.

"(3) Provide for the repayment of the unpaid balance of the loan, together with interest thereon, in installments in accordance with amortization schedules prescribed by the Secretary.

"(4) Be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the unpaid balance of the loan, together with interest thereon, to protect the security, and to assure that the farm will be maintained in repair, and waste and exhaustion of the farm prevented, and that such proper farming practices as the Secretary shall prescribe will be carried out.

"(5) Provide that the borrower shall pay taxes and assessments on the farm to the proper taxing authorities, and insure and pay for insurance on farm buildings.

"(6) Provide that upon the borrower's assigning, selling, or otherwise transferring the farm, or any interest therein, without the consent of the Secretary, or upon default in the performance of, or upon any failure to comply with, any covenant or condition contained in such instruments, or upon involuntary transfer or sale, the Secretary may declare the amount unpaid immediately due and payable, and that, without the consent of the Secretary, no final payment shall be accepted, or release of the Secretary's interest be made, less than five years after the making of the loan.

"(c) Except as provided in paragraph (6) of subsection (b), no instrument provided for in this section shall prohibit the prepayment of any sum due under it.

"(d) No provision of section 75, as amended, of the Act entitled 'An Act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898 (U. S. C., 1934 ed., title 11, sec. 203; Supp. II, title 11, sec. 203), otherwise applicable in respect of any indebtedness incurred under this title by any beneficiary thereof, shall be applicable in respect of such indebtedness until such beneficiary has repaid at least 15 per centum thereof.

"EQUITABLE DISTRIBUTION OF LOANS

"SEC. 4. In making loans under this title, the amount which is devoted to such purpose during any fiscal year shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

"AVOIDANCE OF PRODUCTION EXPANSION

"SEC. 5. In carrying out this title, the Secretary shall give due consideration to the desirability of avoiding the expansion of production for market of basic commodities where such expansion would defeat the policy of Congress as set forth in section 7 (a) (5) of the Soil Conservation and Domestic Allotment Act, as amended, and shall, so far as practicable, assist beneficiaries of the program under this title to become established upon lands now in cultivation.

"APPROPRIATION

"SEC. 6. To carry out the provisions of this title, there is authorized to be appropriated not to exceed \$10,000,000 for the fiscal year ending June 30, 1938, not to exceed \$25,000,000 for the fiscal year ending June 30, 1939, and not to exceed \$50,000,000 for each fiscal year thereafter. Not more than 5 per centum of the sums appropriated for any fiscal year in pursuance of this section shall be available for administrative expenses in carrying out this title during such fiscal year.

"TITLE II—REHABILITATION LOANS

"BORROWERS AND TERMS

"SECTION 21. (a) Out of the funds made available under section 23, the Secretary shall have power to make loans to eligible individuals for the purchase of livestock, farm equipment, supplies, and for other farm needs (including minor improvements and minor repairs to real property), and for the refinancing of indebtedness, and for family subsistence.

"(b) Loans made under this section shall bear interest at a rate not in excess of 3 per centum per annum, and shall have maturities not in excess of five years, and may be renewed. Such loans shall

be payable in such installments as the Secretary may provide in the loan agreement. All loans made under this title shall be secured by a chattel mortgage, a lien on crops, and an assignment of proceeds from the sale of agricultural products, or by any one or more of the foregoing.

"(c) Only farm owners, farm tenants, farm laborers, sharecroppers, and other individuals who obtain, or who recently obtained, the major portion of their income from farming operations, and who cannot obtain credit on reasonable terms from any federally incorporated lending institution, shall be eligible for loans under this section.

"DEBT ADJUSTMENT

"SEC. 22. The Secretary shall have power to assist in the voluntary adjustment of indebtedness between farm debtors and their creditors and may cooperate with and pay the whole or part of the expenses of State, Territorial, and local agencies and committees engaged in such debt adjustment. He is also authorized to continue and carry out undertakings with respect to farm debt adjustment uncompleted at the time when appropriations for the purpose of this section are first available. Services furnished by the Secretary under this section shall be without charge to the debtor or creditor.

"APPROPRIATION

"SEC. 23. (a) For the fiscal year ending June 30, 1938, the balances of funds available to the Secretary for loans and relief to farmers, pursuant to Executive Order Numbered 7530 of December 31, 1936, as amended by Executive Order Numbered 7557 of February 19, 1937, which are unexpended on June 30, 1937, are authorized to be appropriated to carry out the provisions of this title.

"(b) The President is authorized to allot to the Secretary, out of appropriations made for relief or work relief for any fiscal year ending prior to July 1, 1939, such sums as he determines to be necessary to carry out the provisions of this title and to enable the Secretary to carry out such other forms of rehabilitation of individuals eligible under this title to receive loans as may be authorized by law and designated in the Executive order directing the allotment.

"TITLE III—RETIREMENT OF SUBMARGINAL LAND

"PROGRAM

"SECTION 31. The Secretary is authorized and directed to develop a program of land conservation and land utilization, including the retirement of lands which are submarginal or not primarily suitable for cultivation, in order thereby to correct maladjustments in land use, and thus assist in controlling soil erosion, reforestation, preserving natural resources, mitigating floods, preventing impairment of dams and reservoirs, conserving surface and subsurface moisture, protecting the watersheds of navigable streams, and protecting the public lands, health, safety, and welfare.

"POWERS UNDER LAND PROGRAM

"SEC. 32. To effectuate the program provided for in section 31, the Secretary is authorized—

"(a) To acquire by purchase, gift, or devise, or by transfer from any agency of the United States or from any State, Territory, or political subdivision, submarginal land and land not primarily suitable for cultivation, and interests in and options on such land. Such property may be acquired subject to any reservations, outstanding estates, interests, easements, or other encumbrances which the Secretary determines will not interfere with the utilization of such property for the purposes of this title.

"(b) To protect, improve, develop, and administer any property so acquired and to construct such structures thereon as may be necessary to adapt it to its most beneficial use.

"(c) To sell, exchange, lease, or otherwise dispose of, with or without a consideration, any property so acquired, under such terms and conditions as he deems will best accomplish the purposes of this title, but any sale, exchange, or grant shall be made only to public authorities and agencies and only on condition that the property is used for public purposes. The Secretary may recommend to the President other Federal, State, or Territorial agencies to administer such property, together with the conditions of use and administration which will best serve the purposes of a land-conservation and land-utilization program, and the President is authorized to transfer such property to such agencies.

"(d) With respect to any land, or any interest therein, acquired by, or transferred to, the Secretary for the purposes of this title, to make dedications or grants, in his discretion, for any public purpose, and to grant licenses and easements upon such terms as he deems reasonable.

"(e) To cooperate with Federal, State, Territorial, and other public agencies in developing plans for a program of land conservation and land utilization, to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively, the purposes of this title, and to disseminate information concerning these activities.

"(f) To make such rules and regulations as he deems necessary to prevent trespasses and otherwise regulate the use and occupancy of property acquired by, or transferred to, the Secretary for the purposes of this title, in order to conserve and utilize it or advance the purposes of this title. Any violation of such rules and regulations shall be punished as prescribed in section 5388 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 18, sec. 104).

"PAYMENTS TO COUNTIES

"SEC. 33. As soon as practicable after the end of each calendar year, the Secretary shall pay to the county in which any land is held by the Secretary under this title, 25 per centum of the net revenues received by the Secretary from the use of the land during such year. In case the land is situated in more than one county,

the amount to be paid shall be divided equitably among the respective counties. Payments to counties under this section shall be made on the condition that they are used for school or road purposes, or both. This section shall not be construed to apply to amounts received from the sale of land.

"APPROPRIATION

"SEC. 34. To carry out the provisions of this title, there is authorized to be appropriated not to exceed \$10,000,000 for the fiscal year ending June 30, 1938, and not to exceed \$20,000,000 for each of the two fiscal years thereafter.

"TITLE IV—GENERAL PROVISIONS

"FARMERS' HOME CORPORATION

"SECTION 40. (a) There is hereby created as an agency, of and within the Department of Agriculture, a body corporate with the name 'Farmers' Home Corporation' (in this Act called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices elsewhere in the United States under rules and regulations prescribed by the Board of Directors.

"(b) The Secretary shall have power to delegate to the Corporation such powers and duties conferred upon him under title I or title II, or both, and such powers under title IV as relate to the exercise of the powers and duties so delegated, as he deems may be necessary to the efficient carrying out of the purposes of such titles and may be executed by the Corporation, and to transfer to the Corporation such funds available for such purposes as he deems necessary. In connection with and in the exercise of such powers and duties so delegated, all provisions of this Act relating to the powers and duties of, and limitations upon, the Secretary shall apply to the Corporation in the same manner as to the Secretary, and the term 'Secretary' shall be construed to include 'Corporation'.

"(c) The Corporation shall have a nominal capital stock in an amount determined and subscribed for by the Secretary. Receipts for payments for or on account of such stock shall be issued by the Corporation to the Secretary and shall be evidence of the stock ownership of the United States.

"(d) The management of the Corporation shall be vested in a board of directors (in this Act called the Board) subject to the general supervision of the Secretary. The Board shall consist of three persons employed in the Department of Agriculture who shall be designated by the Secretary. Vacancies in the Board, so long as there are two members in office, shall not impair the powers of the Board to execute its functions and two of the members in office shall constitute a quorum for the transaction of business. The directors, appointed as hereinbefore provided, shall receive no additional compensation for their services as such directors but may be allowed travel and subsistence expenses when engaged in business of the Corporation outside of the District of Columbia.

"(e) The Board may select, subject to the approval of the Secretary, an administrator, who shall be the executive officer of the Corporation, with such power and authority as may be conferred upon him by the Board.

"(f) The Corporation—

"(1) Shall have succession in its corporate name;

"(2) May adopt, alter, and use a corporate seal, which shall be judicially noticed;

"(3) May sue and be sued in its corporate name in any court of competent jurisdiction, State or Federal: *Provided*, That the prosecution and defense of all litigation to which the Corporation may be a party shall be conducted under the supervision of the Attorney General, and the Corporation shall be represented by the United States Attorneys for the districts, respectively, in which such litigation may arise, or by such other attorney or attorneys as may, under the law, be designated by the Attorney General: *And provided further*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property;

"(4) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised and enjoyed;

"(5) Shall be entitled to the free use of the United States mails in the same manner as other executive agencies of the Government;

"(6) Shall have such powers as may be necessary or appropriate for the exercise of the powers vested in the Corporation (including, but subject to the limitations of this Act, the power to make contracts, and to purchase or lease, and to hold or dispose of, such real and personal property as it deems necessary) and all such incidental powers as are customary in corporations generally. The Board shall define the authority and duties of the officers and employees of the Corporation, delegate to them such of the powers vested in the Corporation as it may determine, and require bonds of such of them as it may designate and fix the penalties and pay the premiums of such bonds.

"(g) Insofar as applicable, the benefits of the Act entitled 'An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, shall extend to employees of the Corporation.

"(h) All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and

directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers.

"(i) The Corporation, including its franchises, its capital, reserves, and surplus and its income and property shall, except as otherwise provided in section 50 (a), be exempt from all taxation now or hereafter imposed by the United States or any State, Territory, District, dependency, or political subdivision.

"(j) The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary a complete report as to the business of the Corporation.

"ADMINISTRATIVE POWERS OF SECRETARY AND CORPORATION

"Sec. 41. For the purposes of this Act, the Secretary shall have power to—

"(a) Appoint (without regard to the civil-service laws and regulations) and fix the compensation of such officers and employees as may be necessary. No person (except as to positions requiring technical training and experience for which no one possessing the requisite technical training and experience is available within the area) shall be appointed or transferred under this Act to any position in an office in a State or Territory the operations of which are confined to such State or Territory or a portion thereof, or in a regional office outside the District of Columbia the operations of which extend to more than one, or portions of more than one, State or Territory, unless such person has been an actual and bona-fide resident of the State or Territory, or region, as the case may be, in which such office is located, for a period of not less than one year next preceding the appointment or transfer to such position (disregarding periods of residence outside such State or Territory, or region, as the case may be, while in the Federal Government service). If the operations of the office are confined to a portion of a single State or Territory, the Secretary in making appointments or transfers to such office shall, except in the classes of cases exempted from the preceding sentence, appoint or transfer only persons who are residents of such portion of the State or Territory: *Provided*, That hereafter, wherever practicable, all appointments of persons to the Federal service for employment within the District of Columbia, under the provisions of this Act, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census.

"(b) Accept and utilize voluntary and uncompensated services, and, with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision.

"(c) Within the limits of appropriations made therefor, make necessary expenditures for personal services and rent at the seat of government and elsewhere; contract stenographic reporting services; purchase and exchange of supplies and equipment, law books, books of reference, directories, periodicals, newspapers, and press clippings; travel and subsistence expenses, including the expense of attendance at meetings and conferences; purchase, operation, and maintenance, at the seat of government and elsewhere, of motor-propelled passenger-carrying and other vehicles; printing and binding; and for such other facilities and services as he may from time to time find necessary for the proper administration of this Act.

"(d) Make contracts for services and purchases of supplies without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5) when the aggregate amount involved is less than \$300.

"(e) Make payment prior to audit and settlement by the General Accounting Office.

"(f) Acquire land and interests therein without regard to section 355 of the Revised Statutes, as amended. This subsection shall not apply with respect to the acquisition of land or interests in land under title III.

"(g) Compromise claims and obligations arising under, and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into pursuant to, this Act, as circumstances may require.

"(h) Collect all claims and obligations arising under this Act, or under any mortgage, lease, contract, or agreement entered into pursuant to this Act, and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this Act shall be conducted under the supervision of the Attorney General, and the legal representation shall be by the United States Attorneys for the districts, respectively, in which such litigation may arise, or by such other attorney or attorneys as may, under the law, be designated by the Attorney General.

"(i) Make such rules and regulations as he deems necessary to carry out this Act.

"COUNTY COMMITTEE

"Sec. 42. (a) The Secretary is authorized and directed to appoint in each county in which activities are carried on under title I a county committee composed of three farmers residing in the county.

"(b) Each member of the committee shall be allowed compensation at the rate of \$3 per day while engaged in the performance of duties under this Act but such compensation shall not be allowed with respect to more than five days in a month. In addition, they shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses.

"(c) The committee shall meet on the call of the county agent in the county, or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute

a quorum. The Secretary shall prescribe rules governing the procedure of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistants as he deems may be required by any committee.

"(d) Committees established under this Act shall, in addition to the duties specifically imposed under this Act, perform such other duties under this Act as the Secretary may require of them.

"RESETTLEMENT PROJECTS

"Sec. 43. The Secretary is authorized to continue to perform such of the functions vested in him pursuant to Executive Order Numbered 7530 of December 31, 1936, as amended by Executive Order Numbered 7557 of February 19, 1937, and pursuant to Public Act Numbered 845, approved June 29, 1936 (49 Stat. 2035), as shall be necessary only for the completion and administration of those resettlement projects, rural rehabilitation projects for resettlement purposes, and land development and land utilization projects, for which funds have been allotted by the President, and the balances of funds available to the Secretary for said purposes which are unexpended on June 30, 1937, are authorized to be appropriated to carry out said purposes: *Provided*, That any land held by the United States under the supervision of the Secretary pursuant to said Executive orders may where suitable be utilized for the purposes of title I of this Act, and the Secretary may sell said land and make loans for the necessary improvement thereof to such individuals and upon such terms as shall be in accordance with the provisions of said title.

"GENERAL PROVISIONS APPLICABLE TO SALE

"Sec. 44. The sale or other disposition of any real property acquired by the Secretary pursuant to the provisions of this Act, or any interest therein, shall be subject to the reservation by the Secretary on behalf of the United States of not less than an undivided three-fourths of the interest of the United States in all coal, oil, gas, and other minerals in or under such property.

"TRANSFER OF AVAILABLE LANDS

"Sec. 45. The President may at any time in his discretion transfer to the Secretary or the Corporation any right, interest, or title held by the United States, and under the supervision of the Secretary, in any land which the President shall find suitable for the purposes of this Act, and the Secretary or the Corporation, as the case may be, may use and dispose of such land in such manner, and subject to such terms and conditions, as the President determines will best carry out the objectives of this Act.

"TRANSACTIONS WITH CORPORATIONS

"Sec. 46. Nothing in this Act shall be construed to authorize the making of any loan, or the sale or other disposition of real property or any interest therein, to any private corporation, for farming purposes.

"SURVEYS AND RESEARCH

"Sec. 47. The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting, and the methods of accomplishing most effectively, the purposes of this Act, and may publish and disseminate information pertinent to the various aspects of his activities.

"VARIABLE PAYMENTS

"Sec. 48. The Secretary may provide for the payment of any obligation or indebtedness to him under this Act under a system of variable payments under which a surplus above the required payment will be collected in periods of above-normal production or prices and employed to reduce payments below the required payment in periods of subnormal production or prices.

"SET-OFF

"Sec. 49. No set-off shall be made against any payment to be made by the Secretary to any person under the provisions of this Act, by reason of any indebtedness of such person to the United States, and no debt due to the Secretary under the provisions of this Act shall be set off against any payments owing by the United States, unless the Secretary shall find that such set-off will not adversely affect the objectives of this Act.

"TAXATION

"Sec. 50. (a) All property which is being utilized to carry out the purposes of title I or title II of this Act (other than property used solely for administrative purposes) shall, notwithstanding that legal title to such property remains in the Secretary or the Corporation, be subject to taxation by the State, Territory, District, dependency, and political subdivision concerned, in the same manner and to the same extent as other similar property is taxed.

"(b) All property to which subsection (a) of this section is inapplicable which is held by the Secretary or the Corporation pursuant to this Act shall be exempt from all taxation now or hereafter imposed by the United States or any State, Territory, District, dependency, or political subdivision, but nothing in this subsection shall be construed as affecting the authority or duty of the Secretary under any other law to make payments in respect of any such property in lieu of taxes.

"BID AT FORECLOSURE

"Sec. 51. The Secretary is authorized and empowered to bid for and purchase at any foreclosure or other sale, or otherwise to acquire property pledged or mortgaged to secure any loan or other indebtedness owing under this Act; to accept title to any property so purchased or acquired; to operate or lease such property for such period as may be deemed necessary or advisable to protect the investment therein; and to sell or otherwise dispose of such

property so purchased or acquired upon such terms and for such considerations as the Secretary shall determine to be reasonable, but subject to the reservation of the rights provided for in section 44.

"PENALTIES"

"SEC. 52. (a) Whoever makes any material representation, knowing it to be false, for the purpose of influencing in any way the action of the Corporation upon any application, advance, discount, purchase, or repurchase agreement, contract of sale, lease, or loan, or any change or extension of any of the same by renewal, deferment of action or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

"(b) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (2) with intent to defraud the Corporation, or any other body politic or corporate, or any individual, or to deceive, any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation or draws any order, or issues, puts forth, or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (3) with intent to defraud the Corporation, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission contract, or any other act of the Corporation, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

"(c) Whoever willfully shall conceal, remove, dispose of, or convert to his own use or to that of another, any property mortgaged or pledged to, or held by, the Corporation, as security for any obligation, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

"(d) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U. S. C., title 18, secs. 202-207, inclusive), insofar as applicable, are extended to apply to contracts or agreements of the Corporation, which for the purposes hereof shall be held to include advances, loans, discounts, purchase and repurchase agreements, contracts of sale, and leases; extensions and renewals thereof; and acceptances, releases, and substitutions of security therefor.

"(e) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, on conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful act.

"FEES AND COMMISSIONS PROHIBITED"

"SEC. 53. No Federal officer, attorney, or employee shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this Act other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee established under section 42 shall knowingly make or join in making any certification prohibited by section 2 (c). Any person violating any provision of this section shall, on conviction thereof, be punished by a fine of not more than \$1,000 or imprisonment for not more than one year, or both.

"EXTENSION OF TERRITORIES"

"SEC. 54. The provisions of this Act shall extend to the Territories of Alaska and Hawaii and to Puerto Rico. In the case of Alaska and Puerto Rico the term 'county' as used in this Act shall be deemed synonymous with the Territory, or any subdivision thereof as may be designated by the Secretary, and payments under section 33 of this Act shall be made to the Governor of the Territory or to the fiscal agent of such subdivision.

"SEPARABILITY"

"SEC. 55. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby."

That the House recede from its disagreement to the amendment to the title of the bill.

MARVIN JONES,
WALL DOXEY,
CLIFFORD R. HOPE,

Managers on the part of the House.

J. H. BANKHEAD,
J. P. POPE,
LYNN J. FRAZIER,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Farm-tenant provisions

The Senate amendment authorized the Corporation created in the amendment to acquire land and sell or lease it to persons eligible to the benefits of the act. The conference agreement with respect to the farm-tenant title follows the substance of the House bill with the following differences:

(1) Under the conference agreement, loans may be made for a period not in excess of 40 years. The House bill term was 30 years.

(2) Under the conference agreement, applications for loans, which are to be passed on by the county committee, are to be filed with the county agent in the county or with such person as the Secretary designates.

(3) The conference agreement contains a provision, adapted from the Senate amendment, under which the loan instruments are to contain a term that the borrower carry out such proper farming practices as the Secretary prescribes.

(4) The conference agreement contains a provision, adapted from the Senate amendment, under which the loan instruments are to contain a term to the effect that, without the consent of the Secretary, final payment may not be accepted or the Government's interest released prior to 5 years from the making of the loan.

(5) The conference agreement contains a provision, which was implicit in both the House bill and the Senate amendment, which expressly gives the Secretary the power to declare the entire amount due under the loan agreement immediately payable on default in the performance of, or upon any failure to comply with, any term or condition of the mortgage or deed of trust.

(6) The conference agreement rewords the provision of the House bill making the provisions of the Frazier-Lemke Act unavailable to the borrower until he has paid at least 15 percent of his indebtedness.

(7) The conference agreement contains a provision, adapted from the Senate amendment, under which the Secretary is, so far as practicable, to exercise his powers to avoid production expansion where expansion would defeat the parity policy of section 7 of the Soil Conservation and Domestic Allotment Act, and to assist beneficiaries of the title to become established on lands now under cultivation.

(8) Under the House bill, \$50,000,000 was authorized to be appropriated for the fiscal year ending June 30, 1940, and no authorization was made for later years. The Senate amendment authorized that sum to be appropriated for the fiscal year 1940 and for each fiscal year thereafter. The conference agreement adopts the Senate provision.

(9) The conference agreement contains a provision under which administrative expenses for carrying out the farm-tenant title (personnel, overhead, etc.) are not to exceed in any fiscal year 5 percent of the amount appropriated for the fiscal year. The Senate amendment fixed a flat \$400,000 as the upper limit.

Rehabilitation loans

There are no express provisions in the Senate amendment authorizing the making of rehabilitation loans as such, but the Senate amendment does authorize loans of the kind which may be made under title II of the House bill. These loans under the House bill and the Senate amendment may be made to the beneficiaries of the tenant provisions. The conference agreement contains the loan and debt adjustment provisions of title II of the House bill with two minor clarifying changes. Under the House bill the purposes for which loans could be made included "other farm needs." The first change made by the conference agreement is for the purpose of making clear that the phrase "other farm needs" includes minor repairs and minor improvements to real property. The second makes it clear that loans made under the title are renewable.

Submarginal land

The Senate amendment contains no express provision relating to retirement of submarginal land. The conference agreement contains the provisions of the House bill without change.

General provisions

Under the Senate amendment, a corporation is established to carry out its provisions. The House bill conferred the powers on the Secretary of Agriculture and did not provide for a corporation. The conference agreement establishes a corporation in the Department of Agriculture, the directors of which are to be Department officials, who serve without additional compensation. The Secretary of Agriculture can empower the corporation to exercise the functions conferred upon him under the farm tenant and rehabilitation loan titles and in the parts of the general title which relate to such subjects. When so authorized the act applies to the corporation just as it does to the Secretary. The corporation can exercise no powers under the submarginal land title. The corporation in order effectively to exercise the powers conferred upon it must have the power conferred in the Senate amendment to acquire, hold, and dispose of real and personal property. In the conference agreement, that power has been strictly limited, so that it is not a general one, but is confined only to the necessities of exercising the powers given it and must be exercised subject to the limitations of the act. Thus a granted corporate power with respect to real and personal property may not be construed to authorize a general property purchase and sales program contrary to the terms of titles I or II.

The remainder of the general title in the conference agreement is the same as the same title in the House bill with the following differences:

(1) The conference agreement omits the provision of the House bill under which reductions in personnel were to be determined in accordance with a geographical rule. The provision for requiring apportionments of appointments of personnel in accordance with the census has been made to apply only where it is practicable to do so.

(2) Under the House bill, land could be acquired without regard to section 355 of the Revised Statutes under which various restraints are put upon land acquisition. The conference agreement limits that exception so that acquisition of submarginal land must be in accordance with section 355 whenever that section by its terms applies.

(3) An express provision in the conference agreement which was adapted from the Senate amendment requires that litigation be conducted under the supervision of the Attorney General by the various district attorneys.

(4) Under the House bill, property held by the Secretary was tax exempt, but property which was in the hands of the beneficiaries of the tenant and rehabilitation provisions was subject to taxation. By reason of the inclusion of a corporation in the conference agreement it is necessary to carry over some of the provisions of the Senate amendment relating to taxation and tax exemption of the corporate property. The conference agreement provides that even though title is in the Secretary or the Corporation, real and personal property in the hands of beneficiaries of titles I and II is subject to taxation. Property of the Corporation or the Secretary (used for administrative purposes) and property owned by them and not in the hands of such beneficiaries is tax exempt. The Corporation's franchises, income, notes, etc., are tax exempt. An express provision of the conference agreement preserves the power and duty of the Secretary to make such payments in lieu of taxes on property held by him as are now authorized by law.

(5) The conference agreement provides that the county committee shall meet on the call of the county agent or such person as the Secretary may designate.

(6) The conference agreement contains a provision taken from the Senate amendment under which the President is authorized to transfer to the Secretary or the Corporation any land under the supervision of the Secretary which is suitable for use under the act and authorizes them to use and dispose of such land in such manner, and subject to such terms and conditions as the President determines will best carry out the objectives of the act.

(7) The conference agreement contains a prohibition on making of loans, and transferring real property to corporations for farming purposes. A comparable provision is found in the Senate amendment.

(8) Inasmuch as the House bill did not contain any provision for a corporation, the usual penalty provisions in relation to transactions by and property of Federal corporations were not included. The conference agreement provides for a corporation, and hence includes the penalty provisions of the Senate amendment.

(9) Section 49 of the House bill contained certain provisions prohibiting officers, attorneys, and employees of the United States to be the beneficiaries of any fees, commissions, or gifts in connection with any transaction or business of the United States under the bill. The conference agreement makes it clear that this provision is to apply to officers, attorneys, and employees of the Corporation.

The House recedes on the title and short title to the bill.

MARVIN JONES,
WALL DOXEY,
CLIFFORD R. HOPE,

Managers on the part of the House.

Mr. JONES. Mr. Speaker, those who are interested have read the statement or have followed the changes in the measure. The measure as reported follows the general outlines of the House bill. The questions involved in title I which caused a discussion here are identical with the House provisions, with these exceptions: We retain the loan provisions; the Government does not take title to the land at all. In the House bill there was a provision that the loan period should not exceed 30 years, and that the man could not sell the property until he paid for the entire loan, except with the consent of the Secretary. Under the bill as reported the time is changed from not exceeding 30 years to not exceeding 40 years. The rate of interest remains the same; and we have this added provision: That if the man pays off the loan at any time he may have the deed, except that if he pays it off within the period of 5 years the Government will not issue a full release until the end of the 5-year period. There is a further provision broadening the statement in the House bill which stipulated that the purchaser should not waste the land or damage the buildings or injure the soil. That is clarified and added to by stipulating that he shall during this 5-year period, or during the period which he takes to pay, comply with such farm practices as the Secretary may find essential to the preservation and conservation of the soil.

There is this further provision put into the bill: The Senate bill provided for administration by a corporation instead of by the Secretary of Agriculture.

In the conference report we authorized the Secretary to use a corporation if he finds it advisable to do so. In other words, it is in his discretion; but that corporation must exercise only the functions that are conferred upon the Secretary under the terms of the bill.

That, I believe, covers the main changes in the measure.

Mr. WARREN. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. WARREN. The gentleman will recall that I offered a very important amendment which was agreed to by the House, which assigned over to this new agency certain farm lands in various States that had been acquired by the Resettlement Administration. Can the gentleman tell me what became of that amendment?

Mr. JONES. That amendment is retained in the bill.

Mr. MITCHELL of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. MITCHELL of Tennessee. The appraisal of the lands remains in the hands of the local committee?

Mr. JONES. In the hands of the local committee.

Mr. MITCHELL of Tennessee. The same as it was originally passed?

Mr. JONES. Just as it passed the House.

Mr. MITCHELL of Tennessee. That is true as to the applicant for the loan?

Mr. JONES. Yes.

Mr. MITCHELL of Tennessee. And also the appraisal of the land?

Mr. JONES. Yes.

Mr. NELSON. This local committee is made up of three farmers?

Mr. JONES. The local committee is made up of three farmers; yes.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. JOHNSON of Oklahoma. As I understand, the same amounts remain available, \$10,000,000 the first year, \$25,000,000 the second, and \$50,000,000 thereafter?

Mr. JONES. That is correct; \$50,000,000 the third year and succeeding years. That change was made. The House bill only ran for 3 years. This change says "not to exceed \$50,000,000 for each year after the second year." It is a continuing authorization rather than a limited one. I am glad the gentleman called my attention to that.

Mr. JOHNSON of Oklahoma. Is there any provision with reference to submarginal lands?

Mr. JONES. Yes. That remains as in the House bill.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. CASE of South Dakota. What provision is made for title to the land? Are the lands subject to taxation?

Mr. JONES. The land is subject to taxes right along. The Government never owns the land, and therefore it never would be exempt from taxation.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. Lucas].

Mr. LUCAS. Mr. Speaker, having spent more time on the problem of farm tenancy than any other major issue before Congress today, I am compelled at this juncture of farm-tenancy legislation to speak briefly again upon this vital issue.

I think the distinct difference between the House bill, which received overwhelming approval here, and the bill which was passed by the Senate is generally understood by the Members of the House. I think it is understood by all that the conferees faced a formidable task in reconciling the conflicting provisions of these two measures. There was a fundamental difference involved. There were two entirely different philosophies in the bills.

From the beginning of the hearings on farm-tenancy legislation last January I never altered my position in my antagonism toward the Government going into the purchasing or acquiring of lands for the purpose of resale to a tenant. I appreciate the fact that in days of economic stress and trouble, such as this Nation has been passing through during the last few years, it has become necessary in many instances to transfer a certain amount of local government to the Nation's Capital; but the great difficulty in this trend toward centralized government is to know when and where to stop. Certainly this is not an emergency piece of legislation, and the more local autonomy you can keep in legislation of this kind the better it will be for the future government of this country.

I know the type of tenants both bills seek to reach—industrious, thrifty, and independent tenants. I undertake to say at this point that had the Senate bill become the law of the land, and had any independent, honest, thrifty tenant thoroughly understood the provisions of the Senate bill, he never would have entered into partnership with Uncle Sam. Under the philosophy of the Senate bill, those independent Americans, many of whom in my community are leaders in public thought and social activities, would be placed under the direct control, supervision, and guidance of Uncle Sam as their landlord. This is bureaucratic control from Washington, which, in my opinion, is wholly unnecessary, and I make the prediction that if the time ever comes in America when Uncle Sam becomes landlord for a million tenants, which was the bright prospect under the Senate bill, within a short space of time, from 30 to 40 years, the next step will be for the Government to control all of the lands of the country, and land socialism will be the policy of the Government. When that last vestige of independent initiative is stripped from the farmers, then another different and strange so-called Utopia in government will replace the Government of our fathers.

In conclusion, I want to pay a tribute to the House conferees for standing by their guns, upon what seems to me to be one of the most important problems which any group of conferees was compelled to face.

Especially do I want to commend the distinguished chairman of the Committee on Agriculture for his rigidity, firmness, and fairness in acceding to the wishes of Members of the House. I think it is generally agreed that there are certain manifestations of farm tenancy dealing with the social fabric of the Nation which must be seriously considered in the future, and as an experiment in a problem where the field is broad and fertile I hope that we are in the beginning assuming the one and only justifiable course. [Applause.]

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. LUCAS. I yield.

Mr. SABATH. I fully appreciate that the gentleman has devoted a great deal of time and study to this problem and that probably few Members are better posted or better informed upon this subject than the gentleman from Illinois. Do I understand that the gentleman is willing for this conference report to be adopted because he considers the legislation to be merely an experiment and not a permanent fixed policy of the Government?

Mr. LUCAS. No; I think that in the beginning it will be an experiment, but that if it is handled properly it will become a permanent policy of the Government to benefit the farm tenants of this country.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, I hesitate to take issue with the distinguished gentleman who heads the Committee on Agriculture, but I say quite frankly that if this conference report is adopted it will be the first step by Congress to put the farmers of this Nation into irons.

Did you know that there has been added to this bill a provision that every man who secures a dollar to get him a home must contract and agree "to carry out such farming practices as the Secretary of Agriculture shall prescribe"?

For 40 long years the man who borrows a dollar under this bill is under the absolute domination of the Secretary of Agriculture, whosoever he may be. It is not a question as to Mr. Wallace, the present Secretary, in whom we all have confidence; but I warn you gentlemen that you are now taking a step along a road that runs down through the years. You do not know, and I do not know who the next Secretary of Agriculture will be. I for one will never consent that he shall tell the farmers in my State how, what, when, and where they may plant and harvest their crops.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. PACE. I do.

Mr. MICHENER. Right along the line the gentleman has suggested, the Bureau of the Census advises us that 42 percent of the farmers of the country are tenant farmers. As suggested by the gentleman from Georgia, we will by this action be giving the Secretary of Agriculture absolute control to regiment over 42 percent of the farmers in the country if this bill does what it is presumed to do.

Mr. PACE. Mr. Speaker, I appeal to the Members to read the provisions that have been added to the bill.

Mr. JONES. Mr. Speaker, I think that my good friend from Georgia is unduly excited over this provision. This will not apply to any 42 percent of the farmers. It will apply only to those who want to avail themselves of the benefits of the bill and who are given special concessions of a low interest rate not exceeding 3 percent, and a period of loan not exceeding 40 years.

It is my feeling that if we are to have a farm program—and those who went through the agonies of the period when we did not have a farm program know that the only sensible thing is to have one—if we are to have a farm program somebody must administer it. Our present farm program is based on the soundest principles, those of soil conservation. Certainly it is my thought that if we are going to have that as the basis, and if we are going to charge a low interest rate and encourage these people, those who avail themselves of the benefit of this legislation should submit to the same farming practices that are required of the others who carry out the farm program already adopted.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. PACE. There should not be any difference between us. The gentleman must agree that under this bill every single person who gets a dollar must agree to carry out such practices as the Secretary of Agriculture may prescribe, and that that has nothing in the world to do with general conservation but is in addition thereto.

Mr. JONES. I may state to the gentleman that certainly the administrative authority on the one will probably have the same requirements in the other, for it will be the same administrative authority in both instances. Certainly somebody has to name the conditions and we cannot do that in the bill. I would rather have the Secretary of Agriculture, who is administering the program for the other farmers, stipulate the conditions than to have it done by anyone else; and, certainly, I would not want just to permit them to have special rates with no obligation.

Mr. DOXEY. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. DOXEY. I appreciate the action of the chairman in yielding to me to make an observation for the benefit of the gentleman from Georgia. I do not know whether the gentleman from Georgia ever served on a conference committee or not, but if he has he will appreciate the difficulties that face the conferees.

This provision with reference to administration is taken from the Senate bill and not the House bill. Substantially the same provision was offered in the House as an amendment to the House bill but was defeated. This and one or two minor propositions is about all we brought back from the conference. I do not believe the gentleman from Georgia means to be critical. I am sure that he is interested in the program. He must know that we had to yield somewhat to the Senate. If the bill is not entirely satisfactory, the gentleman should feel charitably toward it,

because the Senate and the House tried to work for the benefit of agriculture.

We are certain of one thing: When the Government lends money it should try to see that the man who gets the benefit will farm in the right sort of way.

Mr. HOPE. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Kansas.

Mr. HOPE. In view of the statement of the gentleman from Georgia, may I ask the chairman of the Agricultural Committee if he knows of any individual, corporation, or organization of any kind which would sell land to a man with nothing down and simply an option? Some supervision has to be exercised over the man while he is paying for it.

Mr. JONES. I do not know of any who would do that and I never heard of anyone like that. As a rule there are in some of the mortgages issued by private companies stipulations that would almost astonish you if you read them carefully, but they are safeguarding provisions. All the Secretary can do if any of these covenants is violated is to declare the balance due and leave the man where he started. All he can do is take away the privileges which the Government extended in the first place.

Mr. HOPE. Of course, we assume that the purchaser goes into this with his eyes open.

Mr. JONES. He does not have to take advantage of this opportunity if he does not want to.

Mr. HOPE. He does not have to accept the provision.

Mr. JONES. The Senate conferees, of course, want the Government to purchase these lands and go through a lease period and not give title to the purchaser until the end of 20 years. I hope the gentleman feels this is a much less drastic provision than that.

Mr. Speaker, I yield the gentleman from Georgia [Mr. PACE] 3 additional minutes.

Mr. PACE. Mr. Speaker, I do not want to be misunderstood. This provision has nothing to do with preventing waste. That was in the bill as we passed it, and I favor it. It has nothing to do with keeping the property insured. That is all right. It is provided by section 4, page 3, of the conference report that the Secretary of Agriculture shall prescribe rules and regulations for operating the farm, what he shall plant, how he shall plant, when he shall gather, how he shall gather, what warehouse the products shall be taken to, and provides, if you please, if you do not do every single thing that the Secretary of Agriculture tells you to do he has the right to declare your loan in default, foreclose and take your home.

I say that is important, Mr. Speaker, because today we are just beginning. If we start off with such a provision and put the tenants of this Nation in irons, we will certainly see the day when there will be millions of tenants in this Nation under such domination.

Mr. LUCAS. Will the gentleman yield?

Mr. PACE. I yield to the gentleman from Illinois.

Mr. LUCAS. Admitting what the gentleman says is correct—

Mr. PACE. There cannot be any doubt about that.

Mr. LUCAS. Does the gentleman believe any independent, thrifty, honest, frugal tenant, which this bill seeks to reach, will enter into a partnership with Uncle Sam under such circumstances?

Mr. PACE. If he will not, then the bill means nothing.

Mr. LUCAS. That ought to satisfy the gentleman from Georgia.

Mr. PACE. I want a tenant bill. I have 24,000 tenants in my district, and I want to help those poor fellows, but as this matter stands today you compel me to vote against a conference report to help the men in my district.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. PACE. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Since the Government is putting up all the money and taking all the risk, does not the gentleman think if the tenant wants to avail himself of assistance

from the Government he should subscribe to these requirements?

Mr. PACE. I am sorry, but I cannot vote under any circumstances to make the tenants of my district subject to the whim of any man in the city of Washington.

[Here the gavel fell.]

Mr. MICHENER. Will the gentleman from Texas yield?

Mr. JONES. I yield to the gentleman from Michigan.

Mr. MICHENER. Is it not true that there has been but one bill affecting agriculture passed by the Congress within the last few years containing the regimentation that this bill does in this particular section, and I refer to the potato-control bill? This is the only bill that has been before the Congress that has contained the potato-control regulation which the country so condemned?

Mr. JONES. I do not think the gentleman would even suggest that comparison if he had taken the time to read the entire bill and compare it. This is a purely voluntary transaction. The potato bill levied a tax on all potato growers regardless of whether they entered into the program or not. As a starter in the present program the Government is going to lend 100 percent. It is going to lend that money to tenants who are selected by local committees. Several concessions are made. It is not amiss, in my opinion, for the authorities who have this matter in charge and those who will administer it to have the right to see that the land is not abused and that the security which the Government has under this program is not dissipated. The whole conference group is of the opinion this is a reasonable provision.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Is it not a fact in addition to putting up all the money to buy this land, the Government even agrees to make subsistence loans to the tenant farmer?

Mr. JONES. Yes.

Mr. ZIMMERMAN. And it is no more than fair or reasonable to require him to follow certain directions of the Department?

Mr. JONES. This is not regimentation, and I do not favor regimentation.

Mr. BURDICK. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from North Dakota.

Mr. BURDICK. I was interested in what the gentleman from Georgia said a while ago. He stated he has 24,000 tenants in his district. May I ask him, under the terms of this bill, how many of the tenants can be aided?

Mr. JONES. It depends upon the appropriations to be made by the Congress. If the thing is worked properly, I think this program will be more beneficial as time goes on.

Mr. BURDICK. I mean the first year.

Mr. JONES. There will be comparatively few. There is only \$10,000,000 made available the first year. However, practically all the great programs of this country started modestly. Usually when they started too ambitiously they were bogged down.

Mr. HOFFMAN. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The House bill is so much better than the proposal advanced in the Senate that there is no comparison. I agree with the chairman. If the Government is to lend this money, it should be protected against waste and the other things that naturally follow improper farming. However, I recall that on the last page of the application for a rehabilitation loan—and I have cited this fact here before (RECORD, p. 4199)—there was a requirement that the borrower should not do anything that was in opposition to the A. A. A. program until the money borrowed and interest thereon was paid. Under this act can the Secretary go that far?

Mr. JONES. I do not think so. There is no authorization for that, and I would very much oppose any such provision.

Mr. HOFFMAN. I should hope so.

Mr. JONES. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MORSE DRY DOCK & REPAIR CO.—VETO MESSAGE OF THE PRESIDENT
(H. DOC. NO. 293)

The SPEAKER laid before the House the following veto message of the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return, without my approval, the bill H. R. 2757, entitled "An act to carry out the findings of the Court of Claims in the claim of Morse Drydock & Repair Co."

This claim is based upon an alleged unpaid balance of the charge of the Morse Drydock & Repair Co. against the United States Mail Steamship Co., Inc., for labor and materials furnished in reconditioning the steamships *George Washington*, *America*, *Princess Matoika*, *Pocahontas*, *Susquehanna*, and *Potomac*, delivered to the steamship company pursuant to a contract entered into by it with the United States Shipping Board on May 28, 1920, by the terms of which the steamship company agreed to recondition said vessels, at its own cost and expense, promptly upon the delivery of the vessels to it, and to charter them for a period of 5 years at the rate of \$3.50 per net register ton per month.

The United States Mail Steamship Co., Inc., contracted with the claimant, the Morse Drydock & Repair Co., for the work of reconditioning these six vessels. The negotiations leading up to the contracts were with the steamship company, and the claimant at all times during the work of reconditioning understood that the steamship company would pay for the work and did not look to the Shipping Board for payment.

A receiver was appointed to take over the assets of the United States Mail Steamship Co., Inc., on August 16, 1921, and said company was adjudged a bankrupt on November 14, 1921, by the United States District Court for the Southern District of New York. At the time of the appointment of a receiver the steamship company was indebted to the Shipping Board on account of accrued charter hire in the sum of \$501,552.93. A settlement agreement was entered into between the United States and the trustees in bankruptcy, by which the trustees assigned and transferred to the United States all interest in any money or accounts due the steamship company or the trustees, in consideration of which the United States withdrew its proof of claim for the amount of the accrued charter hire and paid to the trustees the sum of \$175,000. The trustees thereupon released the United States from liability for all claims against the bankrupt estate.

The approval of this bill would give the claim of the Morse Drydock & Repair Co. a preferred status, to the exclusion of other creditors.

Had it been established that the United States is morally liable for the balance due on account of the repairs to these vessels, under the charter party-agreement payment should be made to the bankrupt estate.

For this reason and the reasons set forth in the attached letter, I do not feel justified in approving this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 12, 1937.

The SPEAKER. The objections of the President will be entered at large upon the Journal.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the message and the bill be referred to the Committee on Claims and be printed under the rule.

The motion was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. SNELL. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of the business on the Speaker's table and the completion of the legislative business of the day, the gentleman from Minnesota [Mr. KNUTSON] may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONTROL OF OUTBREAKS OF INSECT PESTS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 431) making an appropriation for the control of outbreaks of insect pests.

The Clerk read the title of the joint resolution.

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, may I inquire of the gentleman from Missouri if he can indicate how long it will take to dispose of the matter which he has just presented.

Mr. CANNON of Missouri. Mr. Speaker, this bill has been reported out by the unanimous vote of the committee. So far as I know there is no opposition to the measure. It is a matter of national emergency.

Mr. SUMNERS of Texas. Mr. Speaker, I withdraw my objection.

The SPEAKER. The Chair recognized the gentleman from Missouri upon his assurance that there was no opposition to the joint resolution and that it was a matter of great emergency.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That for carrying out the purposes of and for expenditures authorized under the public resolution entitled "Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs", approved April 6, 1937, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000,000, to remain available until June 30, 1938: Provided, That in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for control of grasshoppers, Mormon crickets, or chinch bugs in any State until such State has provided the organization or materials and supplies necessary for cooperation: Provided further, That transportation of control materials purchased under this appropriation shall be under conditions and means determined by the Secretary of Agriculture as most advantageous to the Federal Government: Provided further, That procurements under this appropriation may be made by open-market purchases notwithstanding the provisions of section 3709 of the Revised Statutes of the United States (U. S. C., title 41, sec. 5).

With the following committee amendment:

Page 2, line 5, after the colon, insert the following: "*Provided further, That this appropriation shall be expended under the personal supervision and direction of the Secretary of Agriculture, who shall make a detailed report to the Secretary of the Senate and the Clerk of the House of Representatives of the several items of expenditure made hereunder.*"

Mr. CANNON of Missouri. Mr. Speaker, the Budget estimate for this purpose submitted last April provided for an expenditure of \$2,000,000. The Committee on Appropriations, in pursuance of its policy of holding down expenditures to a minimum, reported a bill for half the amount, which was passed by the House and became a law.

But the infestations this year have been unusually heavy. In fact, reports received through the Department of Agriculture and from Members of the House indicate that it is perhaps the heaviest for many years. As a result, the first appropriation has been exhausted, and unless further funds are available the loss of crops in many States will be serious. The loss in corn alone will amount to a national catastrophe. All corn reserves are being exhausted and importations from abroad have been required to supply barest domestic requirements. It is believed that prompt action will save corn and other crops not yet matured.

This bill appropriates the remaining million dollars recommended by the Budget. The funds are being economically administered, and practically the entire amount is being spent for materials. The States and local subdivisions are providing transportation and distribution, and Federal appropriations are applied directly without material overhead expenditures.

The time is short. Every 24 hours count, and the bill should be messaged over this afternoon. For that reason I ask for a vote on the bill and amendment without extended debate.

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members so desiring may have 5 legislative days in which to extend their remarks in the RECORD on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ORDER OF BUSINESS

Mr. DICKSTEIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DICKSTEIN. Mr. Speaker, when the Private Calendar was last called the Committee on Immigration had a number of bills on the calendar known as omnibus bills. The first bill was considered by the House, and about 7 of the 15 titles were considered. I thought the further consideration of that bill would be the first order of business. The Committee on Claims has not had a day this session, and I am willing to have my bills passed over on the next calendar day provided this can be done without prejudice to the bills to which I have referred.

The SPEAKER. The Chair may state that the arrangement heretofore made by which it was contemplated that the Committee on Claims should have the right to call up today an omnibus claims bill was made by unanimous consent. If the gentleman will consult the rules of the House, he will see the Committee on Claims has not had its regular call with respect to omnibus claims bills and will not have until the third Tuesday of the month, which is next Tuesday. Therefore the gentleman has under no condition lost any right his committee might have had under the circumstances.

Mr. DICKSTEIN. Does the bill from the Committee on Immigration and Naturalization retain its place on the calendar?

The SPEAKER. The bill to which the gentleman refers, of course, retains its place on the calendar.

Mr. DICKSTEIN. On the next calendar day?

The SPEAKER. Absolutely. However, the Chair further understood, although he is not able to verify it, that there was some arrangement by which if we passed the so-called alien bill these bills to which the gentleman has referred would all be passed over.

Mr. DICKSTEIN. I agree with the Speaker, but I made this parliamentary inquiry in order to preserve the rights of the Members who have bills in the omnibus bill and the rights of the committee.

The SPEAKER. The Chair may state that all of the rights of the committee will be preserved.

Mr. DICKSTEIN. I thank the Chair.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter sent to each individual Member of the House by Senator ADAMS, of Colorado.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

(Mr. ROMJUE, Mr. REES of Kansas, Mr. BLOOM, Mr. COFFEE of Washington, and Mr. PACE asked and were given permission to extend their own remarks in the RECORD.)

THE FEDERAL JUDICIARY

The SPEAKER. Under the previous order of the House, the gentleman from Texas [Mr. SUMNERS] is recognized for 1 hour.

Mr. SUMNERS of Texas. Mr. Speaker, I am going to try this afternoon to be useful to the public interest in a situation which we must all regard as very serious.

When we stop to take our soundings, when we look at the stars for our direction, when we read the signs of the times, no American citizen can fail to appreciate the gravity of our situation. It does not make any difference what your

views may be about other matters, no intelligent American citizen can fail to appreciate the seriousness of the situation. When we look about us at the nations of the earth today, we know that free government, popular government on earth, relatively speaking, is disappearing. For anybody with our governmental traditions to face that situation and know that the very identical things which are afflicting the other nations of the earth are also afflicting this Nation, he must be serious.

We are assembled here this afternoon at a time which the historians of the future will record as the highest peak in many respects in human history within 500 years.

When we make an examination of the attitude which obtains among the persons who are operating the functioning machinery of this Government, I say, with all respect, we must recognize that much of the hope of the Nation rests in the House of Representatives—you, in this tragic hour of the world's existence.

We know that as a people, as a Nation, we are at the crossroads in America. Soon we must determine whether or not we are going to preserve Anglo-Saxon institutions in this country or join the other nations of the earth under a dictator. Do not let anybody fool himself about that. People do not have dictators merely because they choose to have dictators. They have dictators when their problems exceed the governmental capacity of their people. Now, write that down, please. No people clothed with the power of self-government ever came under the government of a dictator, except by conquest, unless they had lost the ability to provide in themselves an agency through which popular government could function.

The work of government has to be carried on. This is provided for in the economy of God Almighty. The fact that there shall be government is fixed in human necessity. The people of Germany lost the power to govern and Hitler came to govern when the people of Germany failed to provide in themselves an agency through which the Government of Germany could be carried on and meet its problems.

We think these things cannot come to us. We are deceived by a perfectly ridiculous egotism. Only the greatest people who ever trod this earth can save this country from a dictator. We confront a situation this hour, when I stand here and you sit there, that requires a united government, a united people. Is there anybody who has any sense who does not know that the problems of this hour challenge us to produce the most united people and the most capable people who ever assumed the responsibility of government on the face of this earth? Is there anybody at this hour who has any sense who does not know that?

We are dealing with some practical things today. Does anybody challenge that? What is happening to us? Are we in America on this day moving toward a greater solidarity of the people? Are we moving in America this day toward a greater solidarity in the Senate of the United States? Are we moving in America today toward a greater cooperation of effort between the President of the United States and the legislative branch of the Government? If not, in what direction, then, are we moving?

I am going to talk a little horse sense this afternoon, just plain, practical horse sense, to men and women who sit under the greatest challenge of responsibility, so far as I know, in human history since time began.

I am going to talk a little about the Supreme Court situation, and I shall try to do it in a very helpful way. I want to talk just as plainly this afternoon as I can, and, as God knows my heart, I want to do good for my country. I am for the President of the United States and I am for my country. I do not want to discuss the provisions of the pending bill. I want to direct your attention, however, to the havoc which that bill is now working in the solidarity of the Nation. That is what I am talking about, and with the hope though vain it may be that as officers and as a people we may calmly consider whether there still remains differences of sufficient substance to justify this concentration of public interest and effort upon that which up to this time has brought only confusion, discord, and hurt to that

solidarity which it is essential for us to have in order to have the strength and unity of effort to make our people secure in these times of world-wide chaos.

That is all that I am talking about. I am asking the American Nation what ought to be done under the circumstances. A few years ago this administration came to responsibility. It came in in an hour of great responsibility and of public danger. One of the most fascinatingly interesting, psychologically, governmental phenomena to be observed among the people of the earth occurred. I was here during the Wilson administration, and I saw that thing happen then. Our people, Anglo-Saxon people, have the genius, fascinatingly interesting, the remarkable genius of sensing the existence of a condition which requires a quicker pick-up and stronger power than their institutions ordinarily afford. I saw it in the Wilson administration, when, instead of turning the Government over to a dictator, as other peoples do, the people gave temporary power to Mr. Wilson to do all that a dictator could do, and had the genius to retain the power, to control its exercise, if necessary, and the ability to recapture and distribute that power. I do not know whether Mr. Wilson misunderstood his commission, his trusteeship, or not; but when that interesting time came, when, under the influence of the same Anglo-Saxon governmental instinct, the time came when that governmental power should have been sent back into the Anglo-Saxon institutions, Mr. Wilson did not recognize it.

He was not well. I pray God that same thing may not happen this time. Mr. Speaker, when this administration came into power, that identical thing happened again. The people said stand by the President. I stood by the President, not always, but generally. I wanted always to stand with him. He did a good job—a mighty good job, but let nobody misunderstand what it cost to do that job. I am not talking merely about these billions of dollars that were expended, but also about what it cost us in morale, what it cost us in self-reliance, what it cost us in independence from the individual up through the small community and the State. Thirty-six billion dollars is the Government's debt today—and \$2,000,000,000 more this year have been spent than we have taken in. Where is that moving us toward? It is moving us toward bankruptcy, of course. The President wants to turn about, he says, and I believe him. I want to help him. If I can help to prevent this House splitting wide open, if I can help to prevent cleavage between the President and this House, or substantial parts of it, at this time when he needs and the country needs just the reverse of what is in the Senate and what is threatened in the House, I will be helping the President and I will be helping my country, I believe, more than those who are advising him now, when there is not enough left in this controversy to justify the hurt which is being done by its continuance.

I honestly believe that with all the conviction which the best advised judgment I can command gives to me. That is the only reason I am speaking today. When these States and municipalities, when individuals, private citizens, and others are moving on the Federal Treasury, when there is no money in the Treasury, where is that leading us? It is moving us toward bankruptcy in money and in self-reliance and independence and in those virtues that make it possible for a people to preserve a system of self-government. [Applause.] I believe the President recognizes that fact. I believe he is getting ready, and the country is getting ready, and you are getting ready, to tackle this job. And it is not going to be an easy job either. There is going to be lots of trouble about it. I do not want in this House, if we can avoid it, what is happening in and to the other body.

I think usually we have to speak of the Senate as "the other body." That reminds me of a story I heard down home. There had been too many folks killed in a gambling house in my town, so they posted a rule that there could not be any personalities. In a poker game one fellow caught another on the other side of the table cheating. He drew back his chair, put his six-shooter on the table, and said: "I am not going to call no personalities, I am not talking about

nobody, but if I catch that red-headed, one-eyed son-of-a-gun cheating again I am going to shoot tother eye out." [Laughter.]

I hope I am not, in telling that little story, being disrespectful of the Senate. I certainly do not intend to be. I am concerned for my friends over there. This is not a situation of their choosing. Since February 5 this controversy has worn and consumed their energy and self-restraint and poured out among them vials of bitterness which has gone deeply into their relationships. That is not good for them. It is not good for the country. For the sake of the membership of the House, for the sake of the country, I devoutly hope that experience and that hurt can be avoided by the consideration and sound judgment of those in responsibility.

I do not believe, as I size up the situation, as I consider our difficulties, with the friction developing worse and worse within our governmental organization, that we will be in shape to tackle our job. Is that sound? [Applause.] I mean just horse sense. I am talking about horse sense. I do not think with the friction that is developing we can do the job. How important is it to do the job? It is as important as the hope of liberty in the world. We hold the key position in the world today for free government as against autocracy. I am not trying to make a speech. I am just talking to the brains of thinking men and women in this solemn hour today. The Committee on the Judiciary of the House has tried to keep this controversy out of the House, and I have no apology to make for it; and at the same time we have been doing something to meet the condition against which the other bill, it is claimed, is directed. I will discuss that directly. The Senate and the House are different. Over in the Senate they have just a little crowd relatively. They know each other pretty well; it is a sort of club. When one of them says something mean to another, and the other says, "You are another one", probably knowing each other so very well there is not much fussing about it, and they just say, "Come on, let us go to lunch." At least that has been true. It is not so true now. This controversy, I am afraid, is cutting deeply. But you bring that issue into this House, transplanting as you would in a measure the bitterness in the Senate, you would split this House from top to bottom and it would not heal soon.

Then I say to my distinguished friend for whom I have the deepest affection, the leader of the House, the gentleman from Texas [Mr. RAYBURN], and to my equally distinguished and beloved friend, the Speaker, who sits there, when that is done, do not try to tell me that this House will be in any shape to follow you in solidarity and unity of effort in doing its share of the job of saving this country. I may do a bad job in this effort, but I am trying to be helpful today to my leader, my Speaker, this House, my President, and my country.

I am appealing to the thinking sense of grown men and women who have their heads on their own shoulders. What we need in America more than anything else is to put our feet on the ground [applause] and put our heads on our own shoulders. There used to be an expression down among our boys in Tennessee when a fellow was showing a disposition to get a little flighty in the head, "Keep your shirt on!" Then we need to sit down and give this thing a little thinking, and when we give it a little thinking, get a picture of the world and see what is happening at the other end of the building and what is happening between those there and the President, see what would happen here. Look at the condition of this country and the job ahead of us, we then ask ourselves if it is good, old-fashioned horse sense from anybody's standpoint to split us from top to bottom when the Supreme Court is already definitely moving out of the field where governmental policy is fixed; and when already under the laws you passed this session a vacancy has resulted and it only awaits nomination by the President and confirmation by the Senate to fill that vacancy and to start the inflow of new blood into the Supreme Court. The work which we have got to do to make our Nation secure against the perils which are abroad in the world today only a united people have got a

chance to do. Have we got any sense? I mean, have we got any real sense? This thing which is going on is just not sensible. It can be avoided.

I hope I am not being offensive to anybody. If under the zeal of trying to drive home this one point I should give offense, especially to those who have for weeks been under the strain of this controversy, I will be deeply sorry. There is no human being who can look at this situation, analyze the situation and the problems of this country and not know they are challenging us as a people to be the greatest generation of people that ever walked the earth. There is not anybody who can analyze this situation and not know that we have a situation that challenges us Representatives to be the most efficient, patriotic, level-headed men and women who ever sat in this Chamber. These are not ordinary times. The balance sheet is being struck, nations and civilizations are being brought to judgment. Those who will not be instructed by the experience of others are being sent to the school of their own experience and made to pay for their tuition.

I want to congratulate the House on its program with reference to this thing that is now tearing this country wide open today. You put through a program here at this session. You put through the same program here dealing with the Supreme Court that a good, level-headed doctor would put through when called in to treat a patient with a similar disorder. You put through the same program in this House that a good mechanic would put through.

If you went to him with the gas line of your car stopped up, if you took to him a car that was not getting the normal intake of new gas, he would not put some dynamite under the car and blow it up. No. He would open up that line and see if he could not get the engine working. He might do something later more radical if that did not work, but that is what he would do first. Then you would not hurt the car as a vehicle needed for the service of your family.

Now, let us see about this Supreme Court thing. Let us just talk common sense about it now. This House appreciated the fact that there was not a normal intake of new blood in that Court. You made an examination, a sort of diagnosis. You located an obstruction which blocked up the intake. We found that in the act of 1919, which gave to all other Federal judges the right to retire instead of resign after 70 years of age with 10 years' service, and to take light work retaining their judicial status with this constitutional arrangement, we had denied these Supreme Court judges by specific designation that right to retire. We had given to every other Federal judge in this country the right to retire instead of resigning, except Supreme Court judges. What does that mean? We have to be fair about this. It means that we said to them, "Stay on the job right where you are. You cannot have any lighter work. If you leave that bench, you have to check out and cease to be a judge."

Public opinion had something to say about it, too. About that time Mr. Holmes, who was approaching his ninetieth year, was on the bench, and the papers were writing about the grand old man still on the job. Let us be fair about this. Everybody was going over to the Supreme Court to see the grand old man nearly 90 years old, who was still on the job earning his salary. That was not all. The Constitution provides that their salaries are for life; they have their job for life, subject to good behavior. We had passed a law in 1868 which provided that these judges, at the age and with the service I mentioned a while ago, could resign and we would give them their salary for life. With that law on the statute book, Mr. Holmes came off the bench and we cut his salary \$10,000 for believing in us. What did that mean to all the other men on the Supreme Bench? It meant that we had not only said to them in 1919, "We want you to stay on the bench", but in doing to Mr. Holmes what we did, we said to them, "If you fellows dare to get off the bench we may fine you the full amount of your salary, guaranteed by the Constitution only if you stay on the bench." Is that not right? I mean that is the fact. The first invitation, the first intimation given to these Supreme Court Justices that it would be agreeable for them to retire as other judges had been

privileged since 1919 was given by the act passed by this House at this session of the Congress.

That is not quite all. Your committee presented a bill at the last Congress proposing this privilege of retirement, which other judges had had since 1919, and with the question squarely and specifically presented to this part of the policy-fixing body of the Nation, you said "no" by defeating the bill. That bill was not handled right, but still there was the specific denial of the right to quit regular service on the bench as that right had been given to all other Federal judges.

We removed that obstruction and gave Nature a chance. We gave these judges the same right to retire previously given other judges. Was not that the thing to do? Is not that what a good doctor would have done under similar circumstances; what a good farmer would do? Practical people dealing with practical things—and government is practical—would first recognize that God Almighty is the mighty force in the universe and that the thing to do, at least in the first instance, is to take Him into partnership, work in obedience to His laws, and give Nature a chance first.

That is what we tried to do last session. I brought that bill over here, and it was just plain, downright dumbness on my part or we would have put it through. I will tell you a secret about it, and I am ashamed to admit it: I just naturally overestimated the intelligence of the House. [Laughter.]

We did not handle it right, but this year we reintroduced it; we brought it over in the House. It was your bill; you passed it. You removed the obstruction insofar as you are concerned. The Senate passed it. The President signed it. And notwithstanding the difficulties that were brought about by the great disturbance, one of these judges quit the bench under the provisions of that law. The President can fill that vacancy when he chooses. This Justice was one who, as frequently as any other, perhaps, had decided against what is designated as New Deal legislation. That created a condition with regard to that Court which makes it possible to change the relationship as much as adding two new judges would. There was no controversy, no noise. Nothing was done that might imperil the confidence of the people in that Court as an institution. I want to tell you that it is a pretty ticklish job when you begin to hit over the head indiscriminately people who operate the functioning machinery of our system of government. Now, sometimes you have to do it, but it is a pretty ticklish job, it is a pretty dangerous job in times like these. The average man does not draw a distinction between that intangible thing that we love with the holy love called patriotism and the human beings who are operating its functioning machinery. When you destroy the confidence of the people in the persons who are operating that machine it is just one step beyond that until you have destroyed their confidence in their Government.

It was our duty to do something about the situation to make it easier for new blood to flow into that Court, a sort of surgical operation; but to be done with a surgical instrument, not a meat ax. I wish the President had given this bill which he endorsed a chance before that other proposition was turned loose. I cannot help, but believe he was imposed on by somebody who did not want results to come that route. If I may say with apology and deep respect, I believe he is being imposed on now. I wish he would, if he can find the time, give this thing a thinking through. I want to be helpful to him. This is no pleasant job for me.

We gave Nature a chance and Nature started the inflow of new blood that had been artificially obstructed by acts of Congress. That is not all, this House of Representatives has exercised in a quiet, respectful way its pressure upon that Court to try to get it moving out of the field where governmental policy is fixed. Beginning with Marshall the Supreme Court has been moving further and a little further into the field where governmental policy is fixed. Your committee, without "hollering" its head off about it, has been trying to ease them out a bit. We did not agree with the decision of the Supreme Court in the Municipal Bankruptcy Act. We brought in here as your servants another bill

recently through which we hope to present again that issue to the Supreme Court; in other words, we are asking for a rehearing before that Court on that issue.

We indicated to them without getting into the press and "hollering" our heads off that we did not believe that that decision ought to stand as the law of the land, that we want to present it again. I have heard it being said around here that one of the Justices of the Supreme Court who changed his attitude and sustained important legislation of this Congress—I have heard it talked around that he "is a turncoat." Now, do you think that sort of talk is going to help the House in trying to get this Court upon a rehearing to hold that the States can constitutionally do what we believe they can do? Did you ever hear of a lawyer, who, securing a rehearing in a case that had been decided against him and got a favorable decision on rehearing, running out of the courthouse pointing back to the judge who had decided with him, hollering "Turncoat! Turncoat! I presented my matter to you, you gave me a rehearing, and upon the rehearing you decided for me; there is something crooked about it"? I am talking practical sense only. This illustrates the strain, the danger of letting this thing go on. That is why I am making this talk today. We are in no frame of mind to do the public business. There is not enough left in this controversy to justify the hurt and the danger from what we are doing.

That is not all this House has done this session. The House agreed that the acts of Congress were being too easily set aside on constitutional grounds. What did the House do about it? I am proud of this House in this hour of—well, I cannot say it, I was just about to talk about [laughter]—in this hour of hysteria. Boys, I am proud of you, sitting here in the council of the Nation with your feet on the ground and your heads on your shoulders, doing your own thinking. Under God Almighty may we do our own thinking. I do not find anywhere else in this Government the stability that I find in the House of Representatives today. When you found that the courts were too easily setting aside acts of Congress, what did you do? You passed a bill giving the Government of the United States the right in private litigation when the question of constitutionality of an act of Congress arises, to send its chief law officer into the courts to defend the constitutionality of that act of Congress and to appeal directly to the Supreme Court from an adverse decision. You also passed a bill this session making it easier to get rid of crooked judges. These are three things that the House has done at this session to straighten out this situation.

I am not going to take very much more of your time. I want to ask the people of this Nation, I want to appeal to the responsible officers of the Nation, to consider what is happening under your program in the House, and what is happening during the effort to put the other program through; and, too, if it would not be better under all the circumstances to cease attempting to press through what I believe is an unnecessary piece of legislation, considering what has already happened and what we may reasonably expect to happen when we stop shouting to each other, and things quiet down among a people who proceed with mutual respect toward each other. [Applause, the Members rising.]

Let us give a chance to the legislation which has passed this House to secure results. Two of these bills are yet to be acted on in the Senate. That is not an unreasonable request. It is not an unreasonable suggestion. This is not the last session of the Congress. If this were the last time when we can have a Congress, there might be some reason in the minds of some gentlemen for risking the solidarity of this Nation by continuing to try to put through this last bill now. This is a thing that people have very deep convictions about. It is not a matter of good people on one side and bad people on the other. This proposition in the minds of many honest, patriotic people reaches to the foundation of our governmental structure.

Even as the Court was constituted before the retirement referred to, it has upheld the program recently presented. Since those decisions one of the dissenting Justices has quit. This gives the opportunity to appoint somebody else. This

would mean, unless they misjudge the man who is appointed, that reducing on one side and adding to the other, these decisions that were rendered by a vote of 5 to 4 in favor of the Government during the last term would have a vote of 6 to 3 in favor of the Government without any new bill or any more retirements. Other vacancies are inevitable soon, especially if we can get this agitation out of the way.

When you examine into the situation you will find that when we get this thing out of the way, as soon as we take the lash from above the heads of these judges over there, some more of them will retire. I mean that as a fact. Everybody knows it is a fact. What is the excuse, then, for this bill being pressed any further at this time? Can we pretend to be unmindful of the hurt? To save my life I cannot figure it out. There may be some reason, but I cannot figure it out.

Mr. Speaker, I am going to yield to any Member who wants to ask me questions. May I say first, however, I have not tried to make a speech this afternoon; but if these advisers who are counseling the President to force that bill into this House under pressure which they may be able to command, when we are trying to preserve strength and unity required to do the Nation's work, if they force that bill into this House for the sake of saving their faces or their hides, they ought not to have hide enough left to be worth bothering about. [Applause.]

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. If the gentleman and his committee maintain the present position against the presentation of this bill to the House, as I understand it, how could it possibly come to the House?

Mr. SUMNERS of Texas. Well, there is the Rules Committee. [Laughter and applause.]

Mr. O'CONNOR of New York. I am quite sure the gentleman has had no experience with the Rules Committee reporting a bill that has not been reported by a standing committee pursuant to a request for a rule made by the standing committee?

Mr. SUMNERS of Texas. In other words, there is no chance over there? [Laughter and applause.]

Mr. COLDEN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from California.

Mr. COLDEN. Is not the chairman of the Judiciary Committee going a little far when he assumes to protect this House from a responsibility that it now faces, and one on which the people of this country expect an answer from the House as well as from the other body?

Mr. SUMNERS of Texas. Now, would the gentleman make that a little clearer?

Mr. COLDEN. I assume that the chairman is trying to protect this House from a responsibility that I think it should take. Why should it not take the responsibility?

Mr. SUMNERS of Texas. I have tried to state it as clearly as I can. I believe, first, that the program this House has already put through removes the excuse, if I may put it that way, of sending into the House now a bill which will do for the House what that bill is doing in the Senate. Do I make myself clear?

Mr. COLDEN. Yes. The gentleman is assuming that some of the judges will resign, but we have no assurances that they will.

Mr. SUMNERS of Texas. The gentleman has not any assurance, either, that this bill will pass over there after it has "busted" us open from top to bottom. [Applause.]

Mr. KELLER. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Illinois.

Mr. KELLER. Does the chairman of the Committee on the Judiciary take the position that his committee has a right to deny the House the opportunity to vote on this subject?

Mr. SUMNERS of Texas. No; I do not think that, but I take the position that the Judiciary Committee of the House is an agent of the House, trusted with certain re-

sponsibilities, and at any time this House wants to assume the responsibility of taking the bill away from the committee, it has the privilege of doing so.

Mr. BOILEAU. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I take it that those of us who are desirous of having this matter brought before the House then should start filing a petition to discharge the committee?

Mr. SUMNERS of Texas. No. I think you ought to reconsider and decide the other way.

Mr. KELLER. But if we are unwilling to do that, what is our remedy?

Mr. SUMNERS of Texas. I would suggest the gentleman ask his own group. I want to make an apology. You know I get up here and folks kind of laugh at me and it makes a sort of fool of me. I do not want to pull off "smart-aleck" stuff; therefore, if I seem to be discourteous, I assure the Members I do not want to be.

Mr. COLDEN. The gentleman from Texas has the exceptional ability of being able to laugh the average Member off the floor.

Mr. SUMNERS of Texas. Yes; but the gentleman is not an average Member. [Laughter and applause.]

Mr. HARLAN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Ohio.

Mr. HARLAN. If the gentleman is correctly reflecting the position of the Judiciary Committee, then it is incumbent upon those who are in favor of meeting the situation as it comes up to oppose any recess that may be suggested; so that we can file a petition to take this matter from the Judiciary Committee and have the necessary number of legislative days lapse. In other words, the bill was filed in the House on July 6. It will have to pend before the gentleman's committee 30 days. The resolution to take it from the Judiciary Committee will have to pend 7 days and it will take 3 or 4 days to get the necessary number of signatures to the petition.

Mr. SUMNERS of Texas. The gentleman cannot do it in that time. [Applause and laughter.]

Mr. HARLAN. I was submitting a question to the gentleman as a Congressman, not as a prophet. So that in order to have the necessary time elapse and the Congress adjourn within a reasonable time, and in order to have a vote, it will be necessary for us to stay here without any recess. That will be the effect, provided we want to get out of here before September; is that not so?

Mr. SUMNERS of Texas. I do not know. That is too much mathematics for me. [Laughter.]

What I really meant, although I probably did not state it very well, was that I was hoping the leaders in the House, the leaders in the Senate, and the people who are advising the President would just sort of sit down and give this thing a "think" and figure out what had happened under the bill which you passed and what they might expect would probably happen if they sent this bill over here and what would probably happen if they continue this agitation. You know what has been happening in another Chamber. I do not want it to happen here. If I am not trying in that attitude to render a public service, a service to this House, to my country, and to my President, then I am mighty badly mistaken. In this time of year especially, when you get people rowing and rowing and rowing, they are not in any shape to do the serious business of the Government. Do you think people who are continually in this row, week in and week out, month in and month out, are in any shape at all to do the serious business of the Government? And what is it all about? What is left to justify it?

What I am trying to say is that the difference between the bill they have in the Senate and your legislative program does not justify the destruction of the solidarity of this House and the Senate and sending deep lines, possibly permanent lines, of cleavage between the legislative and the executive branches of the Government at a time when every consideration of the public interest calls for unity and that cooperative effort impossible in an atmosphere of discord.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. In just 1 minute.

Probably I have not been temperate in what I have said, but what I am hoping is that perhaps the people who are for the bill and the people who are against the bill, all of whom love this country and want to serve it, and appreciate the danger of this hour, can get around the table and say, "Now, look here, had we better not let this thing ride awhile, and let the boys sober down and come back here next session, since this is not the last session, and see what else is to be done?" That seems to be horse sense to me.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to my good friend, and I surely will not do any "wisecracking."

Mr. COLDEN. I admit I am no equal of the gentleman from Texas in that respect.

Mr. SUMNERS of Texas. I will not do it.

Mr. COLDEN. May I ask the chairman of the Committee of the Judiciary if the gentleman is advocating a sit-down strike in Congress on this great issue?

Mr. SUMNERS of Texas. I say that this great issue is not the only issue in the country. I believe they would do pretty good to sit down on this issue and go to work on other issues which demand attention. [Applause.]

In all respect to the gentleman, I say that I do not think this is the only question we have in this country. I know and you know it is splitting us wide open. No one can deny that. You know and I know that we need a united people, we need a people who are working with the President. We do not want any lines of cleavage between the legislative branch of this Government and the President. You know from the votes we have been seeing here in the last 3 or 4 weeks this situation, this strife, is beginning to reflect itself in the general legislative reaction of this House, and it is a serious matter.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. COLE of Maryland. In view of the questions previously asked the distinguished gentleman as to the time required for a discharge petition in order to bring this subject to the floor of the House, I would like to ask the gentleman this question:

It is my understanding the original Court proposal was introduced in the House by the gentleman from Texas [Mr. MAVERICK], and no one else, and with that bill now dead in the Senate and the substitute therefor being discussed at this time in the Senate, and the fact that that substitute is the subject of a new bill introduced by the gentleman from Kentucky [Mr. VINSON] about a week ago, would a petition seeking the discharge of that bill from the Judiciary Committee, over which the gentleman from Texas presides with such dignity, be in order under the rules of the House before the expiration of 30 days? I would like to know if this is correct, and further, if the substitute Court proposal in the Senate has been introduced by anyone in the House other than the gentleman from Kentucky.

Mr. SUMNERS of Texas. Not by any member of the committee.

Mr. COLE of Maryland. So there is nothing from the consideration of which the gentleman's committee may be discharged?

Mr. HARLAN. The Senate bill has been introduced in the House.

Mr. COLE of Maryland. I am talking about the substitute.

Mr. HARLAN. The Senate bill has been introduced. The gentleman from Kentucky introduced it.

Mr. SUMNERS of Texas. Yes; it has been introduced.

Mr. COLE of Maryland. I did not know that.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. McFARLANE. I would like to have the views of the chairman of the committee on whether or not he expects his committee to hold hearings on the substitute anytime before Labor Day, and if so, when? The original bill has been pending before the House since February 5, and the

substitute bill has now been pending for some little time. About 5 months have elapsed. How much of a sit-down strike do we have to have in the House before we consider this proposed legislation?

Mr. SUMNERS of Texas. Does the gentleman mean before we report it out?

Mr. McFARLANE. Before the gentleman's committee will begin holding hearings on it, or do something about it besides just sit here and pass the buck to the Senate.

Mr. SUMNERS of Texas. The gentleman wants to know how much sit-down strike he can have?

Mr. McFARLANE. I would like to know what the committee is going to do about holding hearings on the bill and considering it?

Mr. SUMNERS of Texas. Well, Mac, you are not by yourself on that. [Laughter and applause.]

Mr. KENNEDY of New York. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. KENNEDY of New York. Does the gentleman realize we have had a vacancy on the Supreme Court now for about a month or so, and that under usual circumstances the President makes the appointment and sends it to the Senate for confirmation, and usually considerable time is required to investigate the appointment, and so forth? Up to the present time, as the gentleman knows, the President has done nothing about filling this vacancy. Does not the gentleman think if the President would make an appointment the country would have an opportunity to decide what type of men the President intended to appoint to the Bench, which might help us to solve this problem?

Mr. SUMNERS of Texas. I would not like to discuss that question, as that matter falls entirely within the discretion of the President.

May I say that, although it may not be appreciated, I am doing my best to be helpful in this situation? I may be wrong about it, but I really do believe I am a better friend of the President of the United States in trying to get this thing straightened out and this obstruction removed. If I may speak of myself, I saw this situation coming at least 3 years ago. I knew the historical background of the separation of the Executive from the control of judicial determinations. I knew something would have to be done to start again a normal flow of new blood into the Supreme Court, which would save any criticism of the President of the United States on the score that he was trying to control the decisions of the Court. The whole program of the House has been in that direction. I will venture the assertion that, when this thing is over and the President of the United States takes account of what has happened, he will say that the House of Representatives and even the committee with which I happen to be connected have been as good friends of his as the folks who gave him that other bill. I believe so. [Applause.]

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. SABATH. Knowing the gentleman as I do, I cannot believe he desires to leave the impression that the country is in danger, or that he desires to alarm the Nation because of the debate which is taking place on the judiciary.

Mr. SUMNERS of Texas. Oh, no; not at all.

Mr. SABATH. The gentleman recalls, I am sure, the strife in the House and in the other body when we considered other important bills, such as the Federal Reserve bill. In those days, as the gentleman recalls, we heard a great many predictions on what would happen to the Nation if that legislation were enacted into law. Nothing happened and the country was benefited, and I believe what is transpiring over there now will not be detrimental to the Nation. These gentlemen will cool off and after they have given the matter due and careful consideration, I believe they will agree on a substitute and everything will be "hunky-dory", if I may use that term. [Applause.]

Mr. SUMNERS of Texas. I want to thank my distinguished friend from Illinois for that suggestion, because I certainly do not want to create the impression that this bill

in itself would bring about any of the dire results referred to. The point I am trying to make, which I think is sound, although I may be wrong, is that this Nation confronts now as great problems as ever challenged any people on the face of the earth; and when there is friction between the Legislature and the President or a sharp cleavage in the House of Representatives and in the Senate, I do not believe we are in as good shape to do the job as where such a situation does not obtain. I cannot see how that can be wrong.

Mr. Speaker, I want to make this additional statement: I am inclined to think that while this agitation has cost us a lot, yet the sit-down strikes and the agitation with regard to the Supreme Court have done more to stir up the people and make them begin to think than all the other things combined in the country, and that is what we have needed; and what I am now trying to say is that after having got the benefit from this agitation, is it not about time that we get together? You go over there and look at those Senators on each side, one of them just as good kind of person as the other, one of them looks to me as if he has as much sense as the other one. The President wants to do what is right in this country, I am sure, and I am sure my friend KENT KELLER wants to do what is right, and I am sure that I do. I am hoping that we will at least make the effort. I am doing my job. I felt like I ought to make these statements, and if it does not work, my conscience is clear. Nobody is responsible for results. He is only responsible for doing his best and following the best judgment that God Almighty gives him, and when he does that, his conscience ought to be clear.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. COLDEN. Aside from the question the gentleman is discussing, does not the gentleman believe it is advisable for his committee to report out a constitutional amendment that will clarify the interstate powers of Congress over industry and labor to settle this question for all time?

Mr. SUMNERS of Texas. It is awfully hard to settle any question for all time. If I thought we could do it, I would do it. I do not know sir. I am telling you candidly, I do not know.

Mr. COX and Mr. LAMNECK rose.

Mr. COX. The gentleman has been so temperate, so kind, and has reflected such wisdom and sympathy that I trust tomorrow morning he will be given a national audience by a friendly and kindly press. [Applause.]

Mr. SUMNERS of Texas. I hope if they do write anything about it they will not just take one side of what I am trying to say and use it against the Court bill, or print what may be construed the other way. What I have hoped to do is to put over the one thought which I believe with all the conviction I can have is important now, that the time has come in American confusion when sensible men who love their country ought to try to sit around a counsel table and do something about this thing that is dividing and incapacitating us to a degree, as I see it, out of all proportion to the importance of the thing which is being fought over these 5 months now passed and other months in prospect. [Applause.]

Mr. LAMNECK. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. LAMNECK. I take it from the gentleman's statement that he is not of the opinion that any change in the Supreme Court is necessary to legislate for the general welfare of the country under the Constitution.

Mr. SUMNERS of Texas. I am afraid I did not quite catch that question.

Mr. LAMNECK. I take it for granted, after listening to the gentleman this afternoon, he does not think a change in the Supreme Court as now outlined in the bill in the other body is necessary to accomplish the necessary legislation that we should pass for the benefit of this country?

Mr. SUMNERS of Texas. The gentleman means increasing the Court?

Mr. LAMNECK. Yes.

Mr. SUMNERS of Texas. No; I do not believe it, and I will tell the gentleman about that. We had this question up in 1925 when a bill was formulated which decreased the obligatory jurisdiction of the Supreme Court.

The American Bar Association in 1922, on account of the congestion of the Court, had advocated its increase to 11. The Committee on the Judiciary then took that matter under determination. There was none of this present heat about it. It was just a question of what seemed to be the best thing to do. As far as we could figure it out, nine seemed to be about the number that would be required to give the necessary variety of all the things which make up a court with its jurisdiction, variety of thinking, variety of judgment, and variety of sections of the country, and so forth; that it would be just about as good as anything could be, but we did decide that the obligatory jurisdiction of the Supreme Court should be reduced. We went that route instead of increasing the number of judges. It was our conclusion, as I recall it, that judges added above nine would probably slow up rather than speed up the work of the Court. I observe there has been some criticism of the Court because of the small percentage of applications for certiorari which had been allowed.

When you examine it you will find that reduction in obligatory jurisdiction and this small allowance is the greatest reformation that has been effected in the procedure of Supreme Court since the organization of the Government. Prior to that enactment, when this great volume of matter was going to the Court as a matter of right, the Court was so congested that it could not take care of the national questions that came up, and in addition to that we reached the conclusion—and there was none of this heat; it was deliberately done—that insofar as private litigation is concerned, when the individual has had his trial in the trial court and that case has been reviewed in the circuit court of appeals, that that ought to be the end of judicial processes and the victor should have the fruits of his judgment.

We found that the little man was being literally worn out by going to the circuit court of appeals and up to the Supreme Court and back again, that the man with the long purse had an unconscionable advantage over the ordinary individual. So we gave the Supreme Court the discretion to stop litigation as between private persons in which no public interest was involved in the circuit court of appeals. [Applause.]

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. KELLER. I am not able to understand where there could be a better council chamber around which to gather than this body here constitutes in itself, and for my part I should like very much to hear the arguments the Members of this House have to put forward for and against the measure now under discussion. There is no heat amongst myself and my friends.

Mr. SUMNERS of Texas. But it would get up.

The SPEAKER. The time of the gentleman from Texas has expired.

[Prolonged applause, the Members rising.]

EXTENSION OF REMARKS

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

THE LABOR SITUATION

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. ALLEN] is recognized for 20 minutes.

Mr. ALLEN of Pennsylvania. Mr. Speaker, the recent labor disputes in our country convince me—and I speak for other Members of this House—that the relationship between the employer and employee is one of national concern. Good evidence of that fact has been demonstrated here by many Members in recent weeks speaking on both sides of the problem; but it seems to me that we have not yet approached this problem in an altogether fair way. We have laid too much

emphasis on one side and we have not really brought out the other. In a matter as controversial and of as vital importance as this it seems to me that we should not be indulging in personalities, or slinging invectives against each other. All we do is to engender bad feeling when we refer to Mr. John L. Lewis as a racketeer and a Communist, which he is not; or to the C. I. O. as a reckless mob, which it is not. This is the national legislative laboratory of our Nation, and it seems to me we ought to combine the best thoughts, representing both sides of this problem, and try to work out a formula which will be good for America. We are never going to do it by arousing the kind of feeling that has been stirred up in this House in recent days. The gentleman from Georgia [Mr. Cox], a few days ago, said that the time had come to take sides in this matter. I agree with that, but there are different ways of taking sides. We do not have to form ourselves into two armed camps and declare war on each other. We can take sides by offering sincere and honest opinions, and then try to work out a good program from those differences of opinion.

This afternoon I wish to present, if I may, a different side to this picture, one that has not been brought forth except in a cursory sort of way in recent weeks. I would ask the gentleman from Michigan [Mr. HOFFMAN] and the gentleman from Georgia [Mr. Cox] if they have read the hearings of the La Follette Civil Liberties Committee, and if they have not, I suggest that they do so, and if they have read them, I feel that they should have mentioned them on the floor of this House so that the Members of the House could have seen both sides of the picture instead of only one. Certain employers in America have been guilty of lawlessness and illegal acts in their relations with their employees. Labor alone is not guilty. The transgressions of certain large manufacturers came first.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. I will yield in a few moments. Not now.

I think that the emphasis has been laid upon the result, but not yet has any attempt been made to draw the curtains and go behind the scenes to see what is the cause of all this trouble, what is stirring up this labor unrest in America. We have paid a lot of attention to the pealing of the bell, but we have not given any thought as to who might be ringing it.

My sympathies are with the laboring men and women of America from two standpoints; a personal one, because I have witnessed in recent years the unequal and one-sided battle which they have been waging for recognition in this country. My second reason is purely economic, because upon the welfare of the working people and the raising of their living standards depends the welfare of this Nation. As I said a moment ago, for every cause there is an effect. This afternoon I would like to present to you the cause of all this trouble; the cause of strikes; the cause of labor unrest as we have witnessed it in the past few weeks. Why, in the first place, has it been necessary for labor to organize? The answer is partly obvious. The growth of monopoly in this country has made the individual laborer an impersonal and inarticulate thing, powerless to defend himself, powerless to express himself. Even if a benevolent employer would like to recognize the rights of his laborers, he has no opportunity to go to them as individuals, because the chasm between them is too wide.

Secondly, it has been necessary for labor to organize so that they can raise their own living standards.

In the third place, it has been necessary so that they can gain the fundamental right to work for their own living and have an opportunity to earn their daily bread.

Organization of labor is good for the employer as well as the employee, and I am sure that the proper organization of labor is the only thing that will help America out of this depression, by raising the living standards and increasing the wages of the working men and women of this country.

But how have some employers met the attempts of labor to organize? How have some employers cooperated with the leaders of this Nation in enforcing the laws which have been

passed by this House? The law of the land is that labor shall have the right to organize without intimidation or coercion; but I say that a few employers of this Nation, some of the largest and most responsible, have violated that law from beginning to end.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. In just a moment I will yield. Let me finish my statement, please.

They are guilty of the most serious and flagrant abuses of the constitutional rights of our citizens. It is they who have set the pace in lawbreaking and violence in America. They have broken the law with complacency. I want to say that those who have denounced the recent strikes as a violation of property rights, law, and order have remained unusually quiet and unusually tranquil during the past 2 years while this other law has been broken by the very people who are raising this hue and cry about communism and racketeering in America by labor today. Labor is a peaceful force until aroused, but it has been aroused, and I would like to recite before this House a few of the things that have stirred labor in recent months.

Was it lawful for the great General Motors Corporation to pay Pinkerton detectives and representatives from other detective agencies in this country \$839,000 for espionage in the General Motors plant? Eight hundred and thirty-nine thousand dollars paid to secret operatives to spy upon the workers in that plant. Was that lawful, when the law of the land says that labor shall have the right to organize, and when the Constitution of the United States guarantees to all its citizens the right of assemblage and the right of free speech? This was an absolute and flagrant abuse, yet I did not hear the defenders of law and order in this House stand up and bring that fact before this body. I read very little of it in the newspapers of the land.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. Not now, please.

Mr. HOFFMAN. I would like to have the gentleman cite that law he is talking about.

Mr. ALLEN of Pennsylvania. The Constitution of the United States. It grants our citizens freedom of speech and freedom of assemblage. I ask the Members of this House if they were working in the General Motors plant and knew that the man at the next machine might be a Pinkerton detective, would they dare express their union views? Would they dare attend a union meeting? They would not when their job depended upon it. This was intimidation of the worst sort.

It was not lawful, and I dare say that if those same workers went to the management of General Motors Co. and asked for an increase in wages they would be told that they could not—the company—afford it, yet they could very well afford \$839,000 for Pinkerton detectives to spy upon workmen.

Was it lawful for General Motors to hire James T. Johnson, a former Pinkerton operative, as an employee in their Baltimore plant, and that man, clever as he was, worked his way into the confidence of his fellow workers, became head of the so-called "Loyal Employees Committee", and as such used the power of that office and the influence of managerial backing to obstruct every attempt of the laboring men and women in that plant to organize into a union of their own choosing?

Was it lawful for General Motors to hire five more Pinkerton detectives for their Lansing, Mich., local, and every one of those detectives became an officer in the local union of the United Automobile Workers of America? So effective was their work that the union membership in that plant was reduced from 100 percent to zero. Is that guaranteeing the rights of the workingmen of this country to organize into a union of their own choosing?

Was it lawful for General Motors to give their addressograph and mimeograph machinery to another member of their loyal company union so that he could send out notices of a company back-to-work movement, in an attempt to break a strike early this year?

Was it lawful? And all during that time, Mr. Speaker, the Liberty League defenders and these vigilantes committees that have been formed recently were particularly silent, they were tongue-tied, and they sat by while the law of the land was being violated, silent and with pursed lips. I do not believe anyone heard a Member of this House stand up in defense of the laboring men who were being discriminated against at that time.

Was it lawful of General Motors Co. to permit a troop of so-called loyal employees, from all departments, in the Baltimore plant to go into another department where they did not work and intimidate one union man so that he had to pack up his kit and go home never to return? The man's name was Gallo. All this is contained right here in the hearings of the La Follette Civil Liberties Committee. That act of intimidation had the blessing and support of the plant management. Was it legal?

Was it lawful of General Motors, or was it conforming with the spirit of the law, when the National Labor Relations Board last summer, June 3, 1936, attempted to hold hearings in Detroit where labor troubles were then starting and General Motors appealed to the Federal court first to enjoin the National Labor Board against further hearings, and failing in that they went to the eighth circuit court where an injunction was granted? Perhaps, if last summer the National Labor Relations Board had been allowed to hold those hearings, all the trouble that followed might have been eliminated; but General Motors defied the law of this land in every respect and yet, I have not heard those champions of law and order, the gentleman from Michigan, or the gentleman from Georgia, arise on the floor of the House and denounce them for their violations and for their illegal methods.

Mr. HOFFMAN. Just a moment.

The SPEAKER. Does the gentleman yield?

Mr. ALLEN of Pennsylvania. Not now.

The SPEAKER. The gentleman declines to yield.

Mr. HOFFMAN. The gentleman made a statement there that is not in accord with the record.

Mr. ALLEN of Pennsylvania. I never heard it.

The SPEAKER. The gentleman from Michigan is out of order.

Mr. ALLEN of Pennsylvania. And all of this time the General Motors Co. made enormous profits—and this is important, because it strikes at the root of our national economic problem—General Motors in 1935 earned profits of \$199,000,000. In 1936 it earned profits of \$301,000,000, or an increase of 51 percent. This was way above the profits of 1929, and yet the average individual wage in the General Motors plant was 12 percent lower in 1929. That is the sort of thing that these great monopolies and these great corporations in America are guilty of, and that is the sort of thing that should be emphasized on the floor of this House at the present time.

But it seems to me that the General Motors Co. abuses pale into insignificance compared to those of the Fruehauf Trailer Co., of Detroit. The managers of that company are intelligent men and must be familiar with the law of our land, yet they hired a secret operative from the Pinkerton Co. as an employee. He became a trusted member of the union in the factory and was later elected treasurer of that union. Each week he went to the employers and reported union activities, and each week a few union men were discharged from that plant. He even went so far as to sign men up as members of the union in the Fruehauf Trailer Co. and then at the end of the week reported them to the managers. Some were fired. That is not only a violation of the law of our land, but it is a violation of the rules of fair play that have governed the conduct of mankind since the beginning of time. That is treachery. That man was the worst kind of Judas Iscariot. You know and I know what the people of America and all those who believe in fair play think of traitors. The Fruehauf Trailer Co. have not only been guilty of breaking the law of this land but they have broken something far greater, in my opinion.

Then you wonder why workingmen in desperation do certain things. Personally I do not wonder.

The Pinkerton Detective Agency alone spent \$240,000 of employers' money to corrupt individual workers and bribe them to sell out their fellow employees. That is a fine demonstration of American citizenship. There are many more cases. All you have to do is to pick up these books—La Follette hearings—and read the Harlan County cases in Kentucky, the Greyhound case and the Jones & Laughlin Steel Co. case near my own district.

I would like to turn to other sorts of violations that I do not think the Members of the House are familiar with. Employers, big business representatives, captains of industry, men who by virtue of their background and training occupy important positions in the communities in which they live have actually paid in money and in liquor men with criminal records to act as strikebreakers. We have the spectacle in America of the most respected citizens of a community forming an unholy alliance with thugs of the underworld in their war against labor.

You have heard of "Chowderhead" Cohen, who was sent to Atlanta for 4 years for conspiracy, who served 4 years more in a State prison and 4 years more in Sing Sing for burglary. He was retained as a strikebreaker by some of the largest industrial plants in America, and according to his own testimony he would "hire out to anyone who could pay off." That is a fine example!

Let us take the Railway Auditing & Inspection Co. There were 13 strikebreakers in the St. Louis strike in 1932 and 7 of them had criminal records, were being sought by policemen in their home towns for one charge or another, mostly burglary. This is an ugly picture of American industrialists and thugs of the underworld forming a coalition against the attempts of men and women to organize. Why has not such lawlessness as this been described to this House by the defenders of law and order?

Violence, I sincerely believe, is as much the weapon of the employer as of the employee. Jay Gould, one of the great industrialists of this Nation, once said, "I can hire one-half of the working people to kill off the other half if I have to."

I believe all too well that that represents the feeling of certain industrialists in America today.

I have heard it said on the floor of the House that the striking pickets in Johnstown, Youngstown, and Chicago were all armed. It was stated they were breaking the law; that they had weapons, billies, sticks, clubs, and all sorts of weapons. But do you realize that in these same plants the men were picketing there were large stores of tear-gas bombs and ammunition of all kinds? All you have to do is to read these hearings. Consider the Lake Erie Chemical Co. and the Federal Laboratories of Pittsburgh and what those concerns and concerns of like character have done. They have sold munitions to the manufacturers of America, at least many of the industries involved in recent strikes.

In all of these records we have only found where one labor union purchased \$51 worth of gas. That is all that labor ever purchased by way of ammunition or gas, while, on the other hand, the manufacturers of this country have bought countless thousands of dollars' worth of this equipment to fight the attempts of the laboring men and women to organize. One Herrick Foot, a representative of the Erie Chemical Co. of New England, said in a letter which has been subpoenaed, that he "hoped the textile strike of June 3, 1935, would be a damn bad one, because we need the money." That is quoting his own words. What a fine statement that was. Why have not these tactics been denounced on the floor of this House by the gentlemen from Michigan and Georgia?

We see these companies actually stirring up trouble so that they can sell munitions to the industrialists of this Nation.

I think the most open and flagrant attempt to defeat the law of this land is represented by the so-called Mohawk formula, which is a written, scientific treatise on strike-breaking. It was written by James H. Rand, of the Reming-

ton-Rand Co., whose record as a strikebreaker and violator of labor's rights is unsurpassed anywhere in the United States. He was successful in breaking a strike, so successful, in fact, that he told all the rest of his manufacturing friends how to do it.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended 10 minutes. He has brought up some very important things as between capital and labor, and I think it would be well for the House to discuss them a few moments. I have a few questions I would like to ask the gentleman. I think we can get some place if we would on the floor of the House and among ourselves talk to each other and ask questions. I think it is vitally important that we do that.

The SPEAKER. Does the gentleman predicate his request upon the ground that the gentleman shall yield to him for questions?

Mr. RICH. There are a number of questions I would like to ask the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ALLEN of Pennsylvania. Mr. Speaker, let me read a graphic description of how to break strikes, written by Mr. Rand, which he sent out to his colleagues:

First:

When a strike is threatened, label the union leaders as agitators to discredit them with the public and their own followers.

Second:

When the strike is called, raise high the banner of law and order, thereby causing the community to mass legal and police weapons against a wholly imagined violence and to forget that those of its members who are employees have equal rights with the other members of the community.

Third:

Call a mass meeting of the citizens to coordinate public sentiment against the strike and to strengthen the power of the citizens' committee.

Fourth:

Bring about the formation of a large armed police force to intimidate the strikers and to exert a psychological effect upon the citizens.

Sixth:

When a sufficient number of applications are on hand, fix a date for an opening of the plant through the device of having such opening requested by the back-to-work association.

Seventh:

Stage the opening, theatrically throwing open the gates at the propitious moment and having the employees march into the plant grounds in a massed group protected by squads of armed police, so as to give to the opening a dramatic and exaggerated quality and thus heighten its demoralizing effect.

Eighth:

Capitalize on the demoralization of the strikers by continuing the show of police force and the pressure of the citizens' committee.

Ninth:

Close the publicity barrage, which day by day during the entire period has increased demoralization worked by all of these measures, on the theme that the plant is in full operation and that the strikers were merely a minority attempting to interfere with the right to work.

This is a written description, written by an industrial leader of America, showing an effective way to break our national law.

All I have to say is that in my personal code, lawbreaking by millionaire industrialists or financiers, or by a billion-dollar corporation is just as bad as violation of law by a lowly worker. I think it is, perhaps, more reprehensible on the part of the industrialists because the men who are guilty of such violation by virtue of their training and background should know better.

If the seeds of communism lie in the labor movement today, as my colleagues have charged in this House, the

seeds of fascism lie in the tactics of the employers which I have just described. Fascism is just as un-American and just as undemocratic as is communism.

In closing, may I borrow a few words, not from a Member or a great leader of my own party, but from a great captain of the Republican Party, Abraham Lincoln, who on December 3, 1861, in his speech stated:

Labor is prior to and independent of capital. Capital is only the fruit of labor and could never have existed if labor had not first existed. Labor is the superior of capital and deserves much the higher consideration.

This comes from Abraham Lincoln, your own great captain. I believe in these principles, and this is why I have come before the House this afternoon to defend the body of men whom I sincerely believe have been discriminated against, and whom I sincerely believe are peaceful and do not want violence and will not resort to violence unless they have been goaded into desperation by the unlawful tactics which I have tried to describe to you. [Applause.]

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. Yes.

Mr. RICH. The gentleman made the statement that he believed the majority of manufacturers were creating a situation where they would do almost anything to down labor.

Mr. ALLEN of Pennsylvania. If I said a majority I will withdraw it. I meant to say many of our most influential manufacturers, and General Motors is certainly one of the greatest, have done that very thing.

Mr. RICH. The gentleman mentioned the fact that somebody was employed to go into a plant and try to get individuals to sign up with a certain organization, and that individual then went back and reported to the managers that these people had signed up and had them fired. I cannot think that in this country anybody would be so damnable and so low as to do anything like that. I cannot imagine that could happen.

Mr. ALLEN of Pennsylvania. The evidence is here, and I will show it to the gentleman. I shall be pleased to have an appointment with the gentleman so I can show him this evidence. It did happen. This man did sign up employees.

Mr. RICH. They ought to have shot that fellow, I will say that.

Mr. ALLEN of Pennsylvania. Good.

Mr. RICH. The gentleman stated he objected to "big business" and the consolidation of corporations. I am with the gentleman on that 100 percent.

Mr. ALLEN of Pennsylvania. I did not say that, but I mean it.

Mr. RICH. I am with the gentleman 100 percent there. I think we ought to enforce the Sherman antitrust laws. I have tried to get Attorney General Cummings to do that with respect to certain corporations, and could not get any action. I think we ought to break down these big businesses into small component parts. Does not the gentleman believe we ought to have smaller component parts in business rather than large corporations?

Mr. ALLEN of Pennsylvania. We should prevent the growth of monopoly in this country.

Mr. RICH. Then how can the gentleman believe that Mr. Lewis and his organization should form one of the most gigantic labor organizations that has ever existed, which is what they are trying to do.

Mr. ALLEN of Pennsylvania. Labor has been forced to do this very thing by the concentration of industry into a few hands. It is the only means they have of protecting themselves.

Mr. RICH. Does the gentleman believe two wrongs make a right?

Mr. ALLEN of Pennsylvania. No; I do not believe that.

Mr. RICH. Then we should not do that, but we ought to permit the individual manufacturers to act so that we can do just what the gentleman said a few minutes ago, talk with our people about their problems and try to get the people and the manufacturers together so that the individual

manufacturer and the individual laborer may know the problems they have to face. In this way we can try to accomplish what will be for the best interest of all concerned.

Mr. ALLEN of Pennsylvania. The gentleman forgets that monopoly is already here. Big business is already concentrated, and labor cannot wait and starve through the months and through the years while we disintegrate big business. We have been trying to break these monopolies for decades and have not done so. Labor cannot stand back and wait any longer.

Mr. RICH. Has the gentleman written the Attorney General and tried to break up these monopolies?

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. HEALEY. May I remind the gentleman that individual manufacturers are organized in the Manufacturers' Association. I know the gentleman from Pennsylvania [Mr. RICH] certainly does not want to deny to labor the same right to organize.

Mr. RICH. Is the gentleman referring to me? I do not belong to any manufacturers' organization.

Mr. BRADLEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. I yield.

Mr. BRADLEY. The gentleman has in his address directed inquiries to certain Members who have taken labor to task in connection with the recent strikes. Would the gentleman also inquire of them if they have any knowledge of the profits of the corporations involved in these strikes and of the financial structures on which their profits are based? For instance, General Motors has pyramided its capital structure from 826,000 shares of common stock to 43,500,000 shares of the new capital stock. Chrysler Motors has paid \$48 in 1936 on the investment on which they paid \$3 prior to the depression.

Mr. ALLEN of Pennsylvania. I think that is right.

May I say to the gentleman from Pennsylvania [Mr. RICH] in closing that I believe labor in America asks only the same right the manufacturers have taken for themselves. Labor has never been granted equal rights. It has always been submerged, or at least it has as far as my memory goes. Let us be fair. Let us treat human beings as if they were possessed of heart and soul, even as you and I. Let us not look upon them as so many factory hands to be exploited and denied the blessings of civilization.

The laboring people of America from an economic standpoint, let alone a sociological or a humanitarian standpoint, have got to be recognized.

Mr. RICH. Mr. Speaker, will the gentleman yield for one more question?

Mr. ALLEN of Pennsylvania. I yield to the gentleman from Pennsylvania for a question.

Mr. RICH. Why did Mr. Green make this statement?—

No hostile employer in America has done the cause of labor more harm than those who have fomented, executed, and administered the policies of the Committee on Industrial Organization during the past 18 months.

Will the gentleman answer that question?

Mr. ALLEN of Pennsylvania. I cannot answer Mr. Green's statement. The gentleman is familiar with the feud existing between Mr. Green and Mr. Lewis. Why drag me into that?

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Pennsylvania. I yield.

Mr. KELLER. May I suggest, in answer to the question the gentleman asked a while ago, that the gentleman ask permission to quote in his address of this afternoon the record which shows the name of the man who did the infamous thing that the gentleman has referred to?

Mr. ALLEN of Pennsylvania. I do not have the individual's name.

[Here the gavel fell.]

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. ALLEN] be allowed to proceed for 2 additional minutes.

Mr. RAYBURN. I object, Mr. Speaker. I do not believe the gentleman from Pennsylvania wants any further time.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Tuesday next, following the disposition of matters on the Speaker's desk and the legislative program for the day, the gentleman from South Dakota [Mr. CASE] may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, in view of a statement which was made on the floor with respect to the statements of certain other Members, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's desk and the legislative program for the day, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BUCK, for Wednesday and Thursday, on account of official business.

To Mr. CROSSER, indefinitely, on account of death of his mother.

To Mr. TAYLOR of Tennessee, indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend the remarks which I had an opportunity to express this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

VOTE ON THE VETO MESSAGE

Mr. BOILEAU. Mr. Speaker, the gentleman from Minnesota, Mr. TEIGAN, was unavoidably absent today. If he had been present, he would have voted in favor of overriding the veto of the President.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 458. An act for the relief of Eva Markowitz;

H. R. 730. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 1377. An act for the relief of Walter T. Karshner, Katherine Karshner, Anna M. Karshner, and Mrs. James E. McShane;

H. R. 1945. An act for the relief of Venice La Prad;

H. R. 2332. An act for the relief of William Sulém;

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel;

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries; and

H. R. 3634. An act for the relief of Noah Spooner.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Wednesday, July 14, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, July 14, 1937, at 10:30

a. m. In re H. R. 7608, H. R. 7716, H. R. 7718, H. R. 7294 (public).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Wednesday, July 14, 1937. Business to be considered: Continuation of hearing on H. R. 6968, amendments to the Securities Act of 1933.

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearing on H. R. 1536, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by Subcommittee No. 1 Wednesday morning, July 14, 1937, at 10 a. m., on H. R. 2890, reclassification of fourth-class postmasters' salaries.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Thursday, July 15, 1937, at 10:30 a. m., to hold hearings on H. R. 7365, a bill to provide for the regional conservation and development of the national resources, etc.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

716. A letter from the Secretary of War, transmitting a report of designs, aircraft parts, and aeronautical accessories purchased by the War Department pursuant to section 10 of an act during the fiscal year ended June 30, 1937, the prices therefor and the reasons for the award in each case; to the Committee on Expenditures in the Executive Departments.

717. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the National Labor Relations Board for the fiscal year of 1938, amounting to \$1,800,000 (H. Doc. No. 294); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 431. Joint resolution making an appropriation for the control of outbreaks of insect pests; with amendment (Rept. No. 1211). Referred to the Committee of the Whole House on the state of the Union.

Mr. KOCIALKOWSKI: Committee on Insular Affairs. H. R. 7561. A bill to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934; without amendment (Rept. No. 1212). Referred to the House Calendar.

Mr. LUTHER A. JOHNSON: Committee on Foreign Affairs. House Joint Resolution 385. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the Oil World Exposition at Houston, Tex., to be held October 11 to 16, 1937, inclusive; with amendment (Rept. No. 1213). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 6444. A bill to amend the act of June 30, 1906, entitled "An act creating a United States court for China and prescribing the jurisdiction thereof"; with amendment (Rept. No. 1214). Referred to the Committee of the Whole House on the state of the Union.

Mr. PFEIFER: Committee on Foreign Affairs. H. R. 7127. A bill authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938; without amendment (Rept. No. 1215). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 7430. A bill for the relief of Mary Lucia Haven; without amendment (Rept. No. 1216). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND: A bill (H. R. 7844) to amend the act of Congress entitled "An act to establish an Alaska Game Commission to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes", approved January 13, 1925, as amended; to the Committee on the Territories.

By Mr. ELLIOTT: A bill (H. R. 7845) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Flood Control.

By Mr. HILL of Alabama (by request): A bill (H. R. 7846) to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military Reservation, N. Y., for the construction thereon of certain public buildings, and for other purposes; to the Committee on Military Affairs.

By Mr. LUCAS: A bill (H. R. 7847) to duplicate records of war veterans at the Springfield (Ill.) Arsenal; to the Committee on Naval Affairs.

Also, a bill (H. R. 7848) to duplicate records of war veterans at the Springfield (Ill.) Arsenal; to the Committee on Military Affairs.

By Mr. KITCHENS: A bill (H. R. 7849) authorizing State Highway Commission of Arkansas and State Highway Commission of Mississippi to construct, maintain, and operate a toll bridge across the Mississippi River at or near Lake Village, Chicot County, Ark., and to a place at or near Greenville, Washington County, Miss.; to the Committee on Interstate and Foreign Commerce.

By Mr. BOREN: A bill (H. R. 7850) authorizing an appropriation of \$4,000,000 for the control of venereal diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PETERSON of Florida: A bill (H. R. 7851) to provide for the protection of certain patent owners, and for other purposes; to the Committee on Patents.

By Mr. WARREN: Resolution (H. Res. 276) for the relief of Mary E. Haltigan; to the Committee on Accounts.

By Mr. COSTELLO: Joint resolution (H. J. Res. 442) to create a joint congressional committee for the purpose of formulating a permanent and equitable policy of veterans' benefits and to revise existing laws pertaining to benefits to veterans of wars of the United States of America; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AMLIE: A bill (H. R. 7852) for the relief of Rose Komes; to the Committee on Claims.

By Mr. COOLEY: A bill (H. R. 7853) for the relief of the Corbitt Co.; to the Committee on Claims.

By Mr. DREW of Pennsylvania: A bill (H. R. 7854) for the relief of Joseph Gross; to the Committee on Claims.

Mr. DRIVER: A bill (H. R. 7855) for the relief of Frieda White; to the Committee on Claims.

By Mrs. HONEYMAN: A bill (H. R. 7856) for the relief of Sherm Sletholm, Loneata Sletholm, Lulu Yates, Madeline Yates, and the estate of Ella A. Morris; to the Committee on Claims.

By Mr. LANZETTA: A bill (H. R. 7857) for the relief of Louis Topper; to the Committee on Claims.

By Mr. O'CONNOR of New York: A bill (H. R. 7858) for the relief of Sylvan Greenbaum, Inc.; to the Committee on Claims.

By Mr. O'TOOLE: A bill (H. R. 7859) for the relief of the estate of Morris Farash; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 7860) for the relief of Frank Burns; to the Committee on War Claims.

By Mr. VOORHIS: A bill (H. R. 7861) readmitting Christopher Henry Wain to the character and privileges of a citizen of the United States; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2926. By Mr. CURLEY: Petition of the New York County Lawyers Association, urging disapproval of House Joint Resolution 333, introduced by Congressman FISH, which seeks to amend the Constitution of the United States; to the Committee on the Judiciary.

2927. Also, petition of the New York County Lawyers Association, opposing House Joint Resolution 286, introduced by Congressman FISH, restricting United States Supreme Court from declaring an act of Congress, or an act of the State legislature of any State and any provision of a State constitution unconstitutional unless concurred in by two-thirds of the members of the Court; to the Committee on the Judiciary.

2928. Also, petition of the New York County Lawyers Association, urging disapproval of House Joint Resolution 372, introduced by Congressman GRAY of Indiana, which seeks to amend the Federal Constitution requiring the Supreme Court to assume any law of the United States to be unconstitutional unless seven of the nine judges concur in finding repugnancy; to the Committee on the Judiciary.

2929. Also, petition of the New York County Lawyers Association, urging disapproval of House bill 7154, introduced by Congressman GRAY of Indiana, providing that the Supreme Court shall not declare any Federal or State statute invalid without the concurrence of seven of the nine judges; and in the exercise of its appellate jurisdiction shall assume any statutory provision to be free from invalidity unless seven of the nine judges concur in finding such invalid; to the Committee on the Judiciary.

2930. Also, petition of the New York County Lawyers Association, urging disapproval of House Resolution 293, introduced by Congressman Bulwinkle, to amend the Constitution of the United States in relation to providing for compulsory concurrence of six or more judges in order to declare a statute unconstitutional; to the Committee on the Judiciary.

2931. By Mr. JACOBSEN: Petition of the Iowa State Federation of Labor, urging passage of House bill 5931, placing tax on importations of foreign starches; to the Committee on Ways and Means.

2932. By Mr. KENNEY: Petition of the Board of Commissioners of City of Newark, protesting lay-offs in Works Progress Administration; to the Committee on Appropriations.

2933. By Mr. KEOGH: Petition of the Transparent-Wrap Machine Corporation, New York City, concerning the Lea bill, concerning air transportation; to the Committee on Interstate and Foreign Commerce.

2934. By Mr. THOMAS of New Jersey: Resolution from Ringoes Grange No. 12, Ringoes, N. J., in favor of establishing a Poultry Bureau in the Department of Agriculture, and putting an added tax on the importation of eggs from China; to the Committee on Agriculture.

2935. By Mr. WIGGLESWORTH: Petition of the City Council of Lynn, Mass., making application to Congress to grant an annuity to the widow of Congressman William P. Connery, Jr., former Representative of the Seventh Congressional District; to the Committee on Accounts.